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**Understanding How Management Control
Affects the Triangle Relationship between
Management, Sales Agent and Client:**

*A Case Study from a Chinese Life Insurance
Company*

Yaoyao Fu

A thesis submitted in fulfilment of the requirements for
the degree of Doctor of Philosophy

Durham University Business School

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ABSTRACT

There has been growing literature on management control in the context of front-line service work, including sales work. Given the nature of front-line work, service recipients – customers and clients – play an important role in management control and in the social relations in the workplace. Moreover, the triangle relationship has become a research focus for decades. However, most of the research has been done in western countries. In addition, little attention has been paid to sales work mixed with service elements. Furthermore, the complexity of the triangle relationship between three parties has not been sufficiently evaluated. This thesis investigates management control in a Chinese life insurance company and the effects of management on individual sales agents and the triangle relationship between management, sales agents and clients. In order to address the research target, this study employs a qualitative approach and chooses a single-case study research design. The qualitative data has been collected from a documentary analysis, observations and semi-structured interviews.

The empirical findings suggest that:

- a. The management controls in the studied case can be categorised into two main types: formally coercive control that consists of output control, bureaucratic control, direct control and attendant control; and informally normative control that consists of concertive control in the sales teams and normative control in morning meetings.
- b. The controls for contradictory logic that interact with one another to have an impact on individual sales agents and the triangle relationship.
- c. Sales agents who have a greater family responsibility and the capability of meeting sales targets set by the company are more motivated by financial incentives, identified with organisational and occupational value and self-disciplined.
- d. Sales agents who have a poor performance and lack the capability to improve their performance are more likely to resist management control.
- e. The relationship between management and the sales agents is not always conflictual.
- f. Co-worker assistance and informal coping are found in the relationships among sales agents, although their sales work is highly individualised and competitive.
- g. The relationship between sales agents and clients is instrumental in its nature, but when there is an ongoing relationship and a high level of trust between sales agents and clients, this relationship appears to be less instrumental.
- h. Improving the quality of service and enhancing the myth of customer sovereignty may sacrifice efficiency in the short term, but it can potentially increase sales efficiency in the long run.

Key words: management control, insurance sales work, service triangle, sales teams

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CHAPTER ONE:

INTRODUCTION

This thesis investigates management control in a Chinese life insurance company, and the effects of their management control on individual sales agents and the triangle relationship between management, sales agents and clients. This study mainly draws on labour process debates between the orthodox labour process theory and the poststructuralist perspective, and a neo-Webern approach of customer-oriented bureaucracy to examine management control in the context of China's life insurance sales work. First, this chapter introduces the research background. Then, the research problems and the research gaps are discussed to raise detailed research questions. Moreover, the structure of this thesis is outlined. Finally, the key contributions of this study are discussed.

1.1 The Research Background

Control has been acknowledged as a fundamental and essential element of all organisations (Blau and Scott, 1962; Tannenbaum, 1962; Thompson, 1967; Child, 2005), but recently, it has been underestimated by mainstream writers. Instead of explicit studies on control, increasing attention has been paid to, for example, teamwork, empowerment, self-management and surveillance (e.g., Poster, 1990; Sewell and Wilkinson, 1992; Lyon, 1994; Watson, 1994; Bogard, 1996; Fernie and Metcalf, 1998; Hales, 2000; Hamde, 2002; Clark, 2004; Sewell and Barker, 2006), which could better capture the characteristics of a contemporary work organisation. However, the flourishing of these new studies does not necessarily mean that control is no longer an important research topic; rather, it continues under the guise of a different language and different concepts (Jermier, 1998; Thompson and McHughe, 2009; Child, 2005). The themes of teamwork, empowerment, self-management and surveillance are all embedded within the purpose of control. Some would argue that the neglect of control in many studies is derived in part from the inability to reveal the nature of control.

With the development of the economy and society, new configurations of capitalistic relations have emerged. Service work has become an important tertiary sector in advanced

societies (Fisher, 1935; Clark, 1940; Fourastie, 1949). Today, paid employment is dominated by service jobs. According to recent estimates in 2009, 81% of all UK employees worked in the service sector, and 16% of those employees were working in the banking, finance and insurance industries (Hampson and Junor, 2010). Moreover, as the world's second largest economy, China is now devoting great efforts to promote its service industry. Compared with another leading financial service provider—the UK—China has experienced significant increases in both the contributions of the service industry to its GDP and in employment in the financial sector. Figure 1 compares the increasing rate of development in the service industry between China and the UK. After setting 1991 as the base year, the output of China's service industry shows an increase in its GDP of over 15% in 2000, compared with the UK's increase of 7%. The difference in the increasing rates between the two countries had continued to grow in 2010, when the figures were 28% and 16% for China and the UK, respectively. In terms of the number of employees in the financial sector, China has also shown a substantial increase of 83% between 1991 and 2010, while a relatively moderate expansion in the UK's financial sector workforce was documented in the same period.

Service work has distinct features when it is compared to agricultural and manufacturing work. Korczynski (2002) identifies five key features of service work: intangibility, perishability, variability, inseparability, simultaneous production and consumption. There are a considerable amount of studies focused on front-line service work that involve direct contact or interaction with service recipients – customers and clients (Bélanger and Edwards, 2013; Korczynski, 2004; Korczynski and Macdonald, 2009). The direct contact with a customer adds a “new dimension to the pattern of human relations”, therefore, the traditional bilateral relationship between an employer and their employees has been replaced by a trilateral relationship between the management, the workers and the customers (Bolton and Houlihan, 2005; Du Gay and Salaman, 1992; Leidner, 1993, 1999; Lopez, 2010; Korczynski, 2002; Whyte, 1948).

These changes have profound implications on management control. The traditional control regimes, such as Taylorism and Fordism, are less adaptive in many situations due to the fast changing and increasingly competitive business environment and the service society. In the service sector, the involvement of customers as a third party in traditional employment

relationships potentially requires different forms of control to improve organisational profitability and to ensure that there are desirable attitudes, emotions and behaviours within service workers. Therefore, researchers have developed new themes to understand management control in contemporary workplaces (such as a corporate culture, identity, quality management, customer-oriented bureaucracy, etc.) and they have paid an increasing amount of attention to the triangular relationship among management, customers and workers.

Based on a neo-Weberian approach, Korczynski (2001, 2002) proposes a model of customer-oriented bureaucracy (COB) that attempts to address the complex and contradictory aspects in managing front-line service work. According to Korczynski (2001, 2002, 2003a, 2003b, 2004, 2005, 2007) the COB organisation can be viewed as an ideal type of service organisation that captures the nature and fundamental characteristics of the service work.

It can be drawn from the COB approach that there is essential tension and contradiction between dual imperatives in the management of front-line service work: workers are not only required to deliver service efficiently, but they must also deliver it with a high-quality. The dual focus, the tension and contradiction emerging from it can be found in diverse dimensions of work organisations with the COB approach, including their labour process, basis of division of labour, basis of authority, form of control, affect and flexibility (Korczynski, 2002, 2007). This approach has profound implications on the examination and analysis of management control in front-line service work.

1.2 Research Problems

Given the research background that has been discussed above, several research problems and research gaps can be found in the current control studies in front-line service work. Firstly, in terms of empirical studies, the expanding service sector has increasingly become a research target for Western scholars. However, few research studies are concern with front-line work in the Chinese context. Since China is now devoting great efforts into the promotion of its service industry, it has experienced a significant increase in both the contributions of the

service industry to its GDP and in employment in the service sectors, which are worthy of attention.

Second, control studies on front-line service work emphasise specific types of industries (e.g., Callaghan and Thompson, 2002; Frenkel et al., 1999; Jenkins et al., 2010; Taylor, 1998; Taylor and Bain, 1999), such as hotels and leisure (Bryman, 1999; Van Mannen, 1991), retail (Gamble, 2007, 2009; Hanser, 2007), fast food (Leidner, 1993) and health care (Bolton, 2003, 2004, 2005; Cooke, 2006; Wharton, 1993). However, there has been little research conducted in the setting of extreme forms of sales work recently. It is argued that there has been a shift away from extreme forms of sales towards sales/service work, but there is very limited research that examines control in sales work with service elements.

Third, the study on the triangle relationship between management, workers and customers mainly focuses on the ratios among the three parties, but the complexities of the relationships within each party have been largely marginalised. Moreover, many studies have focused on management control and its influences on the relationship between workers and customers individually, but there is limited research to examine the customer-worker relationships within the triangle relationship between management, customers and workers.

As the actors in each party are not unitary, more attention should be paid to the relationship among customers, co-workers and managers at different levels. Although the horizontal relations among co-workers have been carefully analysed as one of the key elements of workers' consent or resistance in manufacturing settings (e.g., Barker, 1992; Burawoy, 1979; Sewell, 1998), they are relatively ignored in studies on front-line service work and sales work. This encourages the researcher to investigate the triangle relationship between all three parties in the context of China's insurance sales work.

Motivated by the current research problems and the research gaps listed above, this study investigates management control in a rather less studied research setting – insurance sales work in China. Therefore, the first and second research gaps could be fulfilled by conducting

research in a research setting that has not been studied intensively. Moreover, in order to fulfil the third research gap, this study not only exams the effects of management control on individual sales agents, but it also analyses the impact that management control may have on the relationship between management and sales agents, among sales agents and between sales agents and clients under the given context of China's insurance industry.

Therefore, detailed research questions are provided as follows:

1. What forms of management control are adopted to manage insurance sales agents in teams?
2. What are the purposes of those particular forms of control?
3. How do those particular forms of control hybridise together to affect the triangle relationship between management, customers and sales agents?
4. Does the customer-oriented bureaucracy (COB) approach have intellectual purchase in conceptualising those particular forms of control and understanding the reactions of insurance sales agents to those particular forms of control in a Chinese context?

1.3 Structure of the Thesis

The research topic given in the last section has been developed and finalised through a careful review of pervious literature that is related to management control. This thesis has two literature review chapters.

The first literature review chapter provides an overview of management control in mainstream studies. Three classic approaches to management control are interpreted, including scientific management, the ideal type of bureaucracy and human relations. This is followed by the presentation of debates on the functionalist perspectives on management control, as well as an explanation of why such perspectives led to a decline in explicit studies

on management control. Then, it reviews critical studies of management control. It elaborates on the labour process debates, including the original ideas on labour process theory, some critical revisions on orthodox labour process theory and the poststructuralist turn in labour process debates. The final part of this chapter emphasises some empirical research regarding critical control studies with a specific interest in three interrelated concepts of identity, control and resistance.

Chapter Three – the second literature chapter – reviews control studies in the special context of front-line service work. This chapter starts with the introduction of key features of service work and a summary of different types of service work. Then, it introduces three critical approaches that underpin the different ways of conceptualising front-line service work and it provides implications for examining how front-line workers can be controlled. These critical approaches include Ritzer’s McDonaldisation thesis, du Gay’s “cult(ure) of the customer” and Korczynski’s concept of customer-oriented bureaucracy. In addition, this chapter examines in detail the different forms of control that contribute to affecting the front-line workers’ management of emotions and changes to the dynamic triangular relationship among management, customers and workers. Management control as applied to sales work is also examined. Moreover, as a form of sales work, the study attempts to locate research related to Chinese life insurance sales work. The development of the Chinese insurance industry is introduced as a background to this research. Research gaps are identified and research questions are raised in the last part of this chapter.

Chapter Four discusses the methodology of this thesis. It addresses the philosophical and strategic methodology, data collection methods and data analysis. First, it examines the ontological and epistemological perspectives that underpin the choice of this particular research strategy. According to the research topic and philosophical assumptions, a single-case study research design has been chosen for this thesis. The second section of this chapter presents the rationales of the research design and illustrates the ways in which the research questions have been developed. It continues to discuss why a particular research setting has been chosen and accessed, and finally the criteria for interpreting the findings are considered. In the third section, the data collection methods and the ways of conducting the data

collection in practice are discussed. The final section in this chapter deals with the issues of data transcription, translating, coding and analysis.

The analysis of the qualitative data is in two findings chapters. The first, Chapter Five provides an overview of managerial practices that have control functions. This findings chapter focuses on the identification of the forms of control that are embedded in a variety of management-initiated practices, including commission based payment systems, performance appraisals and evaluations, working rhythm, career paths, insurance sales teams and various morning meetings. Forms of control recognised in these practices include output control based on financial incentives, bureaucratic control, direct control, and normative control in sales teams and morning meetings. The key purposes of applying these forms of control are to improve the total sales, increase the size of salesforces and reduce staff turnover.

The second findings chapter, Chapter Six elucidates the effects of controls with contradictory logic on sales agents' sales output, behaviours, attitudes, beliefs, feelings and emotional displays as well as the triangle relationship between management, sales agents and clients. The underpinning theory mainly refers to a poststructuralist perspective on management control and a model of customer-oriented bureaucracy (COB) that is derived from neo-Weberian tradition without denying the key concepts of the labour process tradition. Different forms of control that are recognised in these various managerial practices can be categorised into two main types – formally coercive control and informally normative control. The formally coercive control mainly consists of output control based on commission based payment systems, bureaucratic control, direct control and attendant control which are aimed at the levels of output and the behaviour of the sales agents. On the other hand, the informally normative control is usually found in various morning meetings and in the sales team setting, which tends to construct the sales agents' identity of the company as well as their occupation, and to internalise the company's key values, norms and beliefs. This type of control mainly targets the sales agents mentally by focusing on their minds, beliefs, attitudes, feelings and emotions. The research findings discussed in this chapter extends the COB model in a longitudinal dimension. Management control implies a dual focus that sales agents are not only required to spend more time on the sales process in order to increase their sales output, but they also need to spend time on improving their knowledge and their skills,

be more energetic in morning meetings and provide additional services to clients to satisfy their diverse needs. These two requirements conflict in the short term, but in the long run they increase the quality of service and the clients' satisfaction to facilitate an increase in sales output.

1.4 Key Contributions

This study investigates control in sales work that is combined with a considerable service element in a Chinese life insurance company. This research setting fills two research gaps. First, previous control studies in front-line service work have been done largely in Western countries. Second, attention has been paid to either front-line service work or extreme sales work, so there is limited research that has focused on sales work that is mixed with service elements. Secondly, the effects of controls with contradictory logic on the individual insurance sales agents in the company are elaborated on by linking them to a wider and specific socio-cultural context in China. Thirdly, this study elaborates on the complex triangle relationship between management and sales agents, among sales agents and between sales agents, rather than only focusing on a relationship between two parties in the service triangle. The research findings also explore a collectivism and co-worker support in the relationship among sales agents which has not been discussed in extant literature.

The major conceptual contribution of this study is to revise the traditional concept of customer-oriented bureaucracy by extending this model in a longitudinal dimension in the front-line work of mixed sales and service duties. The dual logics of increasing sales efficiency and improving service quality are not always contradictory. On the one hand, efficiency could be improved by increasing the quantity of client visits. However, the number of client visits may reduce the sales agents' available time to attend morning meetings and to improve their service quality through providing additional services to clients. On the other hand, time that has been spent on improving service quality, building ongoing and trusting relationships with clients and internalising customer-related value during morning meetings and interactions with clients could also improve sales efficiency in the long term.

CHAPTER TWO

LITERATURE REVIEW: MANAGEMENT CONTROL

Control has been acknowledged as a fundamental and essential element of all organisations (Blau and Scott, 1962; Tannenbaum, 1962; Thompson, 1967; Child, 2005). As Wilson (2004) points out, almost all organisations adopt integrated strategies of control as instruments to assist them to operate healthily. It can be seen from previous literature that studies of control are underpinned by different theoretical perspectives. For instance, conventional studies on management control frequently derive from a functionalist perspective, while critical studies often draw on Marxist labour process theory and poststructuralist perspectives (e.g., Adler, 2007; Adler et al., 2007; Ezzamel et al., 2001; Delbridge and Ezzamel, 2005; Delbridge, 2010). The conventional studies on management control are usually grounded on value-free knowledge, rationality, and performative intent (Alvesson and Willmott, 2012; Fournier and Grey, 2000). This research strand is classified by critical researchers as mainstream studies (e.g., Adler, 2007; Adler et al., 2007; Ezzamel et al., 2001; Delbridge and Ezzamel, 2005; Delbridge, 2010).

However, mainstream studies have been criticised for ignoring the relations of power and domination (Alvesson and Willmott, 2012). Since management is a social practice (Reed, 1984) embedded in “social values, politics, interests and relations of class, gender, ethnicity” (Alvesson and Willmott, 2012, p.18), management control should not be reduced simply to technical devices designed to increase efficiency, as has been implied in mainstream studies (O’Reilly and Chatman, 1996). Therefore, mainstream studies have been criticised for their limited capability to provide a comprehensive understanding of management control that addresses the implications of relations of power and domination. Moreover, mainstream studies on control frequently adopt neutral language and concepts to describe control practices, for example monitoring, coordination, inputs, outputs, performance standards, and feedback loops, so the nature and outcomes of control are largely concealed (Delbridge, 2011). On the other hand, critical studies on control challenge the taken for granted, instrumentalist and performative stance in mainstream research, and shed light on the limitations of these conventional control studies by considering the issues of reflexivity,

meanings, structures of domination, power relations, and the mediation of interests within organisations (Adler et al., 2007; Morgan, 1980; Warhurst, 1998).

The investigation of management control in this thesis rests upon critical perspectives, in particular labour process theory and the poststructuralist perspective. The aim is to identify how insurance sales agents in a Chinese insurance company are controlled by (forms of control) and respond to (influences of control) a range of management practices by considering the very nature of control in a particular historical, socio-political and economic context. In order to better understand how critiques on mainstream studies of control and the contributions of critical perspectives have furthered knowledge of management control in organisations, it is necessary to discuss some of the classic approaches in these conventional studies and their implications for management control.

This chapter is divided into four sections. The first section interprets three classic approaches to management in terms of their inherent advantages and limitations. The second section describes functionalist perspective on management control and interprets several forms of control. The third section turns attention to critical perspectives and elaborates the labour process debates including the original ideas on labour process theory, some critical revisions on orthodox labour process theory and the poststructuralist turn in labour process debates. The fourth section emphasises on some empirical research regarding critical control studies with specific interest in three interrelated concepts of identity, control and resistance.

2.1 Classic Approaches to Management Control

This section provides an overview of three classic approaches to management control – scientific management, ideal type of bureaucracy, and human relations. Each of them provides profound theoretical underpinning and inspiration for both mainstream and critical studies of control.

First, Taylor's scientific management (1911) proposes "one best way" to do job most efficiently. There are several key principles underlying the scientific management approach.

One fundamental principle is the separation of conception and execution of tasks. Management is responsible for the conception of work and for classifying, tabulating and reducing the traditional knowledge that used to be possessed by workmen into rules, laws and formulae (Taylor, 1947). On the other hand, workers take responsibility only for the execution of work. They conduct the planned tasks under the instructions designed by management, so there is a degradation of worker skills and, it is claimed, worker autonomy is eliminated (Sewell, 1998; Taylor, 1911).

Moreover, there is an underlying assumption in this approach that work organisations and workers have rational interest in pursuing maximum efficiency and more income respectively (Strangleman and Warren, 2008). Since the scientific management approach interprets workers as “economic men”, the introduction of incentive wages based on a piece-rate schedule motivates them to work harder in order to get more pay and to be more willing to accept loss of their traditional control over the job (Taylor, 1911). From this perspective, Taylor’s scientific management can be viewed as a neutral system that brings benefit for organisations through greater output and efficiency, and for workers through increased pay and bonuses. Hence, co-operation between management and workers can be achieved (Thompson and McHugh, 2009).

On the other hand, the idea of scientific management is subject to a number of criticisms. For instance, Kanigal (1997) and Rose (1988) question the idea of adopting monetary reward as the single and entire motivation for workers to work harder. They note that Taylor’s work ignores the norms and values within a particular workplace that potentially form other motivations. Moreover, Taylor largely ignores the human factor, and scientific management is criticised as having a dehumanising effect (Thompson and McHugh, 2009).

The second classic approach is the ideal type of bureaucracy. Here, Max Weber formally discusses the structure of control found in Taylor’s works as an explicit type of rational-legal authority. As Donaldson (1985, p.6) notes, “much Organisation Theory derives from Weber’s (1968) work on authority and bureaucracy”. Weber (1946, 1947) argues that the development of modern industrial societies was characterised by an increasing level of rationality and

calculated action, so that the rise of rationalisation could be seen as the main operating principle for such societies. Within a bureaucratic framework, authority is legitimated by rational principles which are derived from precise and predictable rules underpinned by calculative devices and techniques (Berry et al., 2005, Jaffee, 2008). Weber believes that activities in organisations are governed by administrative structures which depend on rational-legal authority, so that appropriate attitudes, structures and practices are permitted.

The major characteristics of bureaucracy include a clear-cut division of labour/specification, a hierarchical structure of positions and authority, administration reliant on written documents and adhering to formal rules and regulations, thorough and expert training of personnel, and full-time commitment to official activities (Walton, 2005; Weber, 1946). Therefore, a form of bureaucratic control could be exercised by management through task specialisation, process standardisation and formalisation, decentralisation, and hierarchical co-ordination (Walton, 2005; Reed, 2011). Within large bureaucratic organisations, managers primarily focus on direct control through close supervision and monitoring, formal rules, prescribed procedures and centralised structures (Williams, 2007).

As the dominant form of modern control, Weber suggests that bureaucracy provides the fairest and the most efficient method of control. “Company rules” or “company policy” form the basis for this impersonal control. Formal and impersonal rules in the organisation define workers’ jobs, provide criteria for their evaluation, reward compliance and punish non-compliance. Therefore, all decisions and appointments are subject to rules, and decision-making is transparent (Strangeman and Warren, 2008). Moreover, as Litter (1982) argues, the hierarchical career structure strengthens officials’ commitment to the organisation, because an internal promotion path is available to them. This is evidently absent from Taylorism.

However, Weber is also aware of the weakness of bureaucracy, in that it is inhuman. He argues that there exists a real possibility of an iron cage of bureaucracy, in which people are protected by impersonal rules but at the same time their human individuality and creativity are stifled, with the result that modern societies would become more and more dehumanised and soul-less (Barker, 1993).

The critique of bureaucracy in the workplace can be found in two sets of assumptions. First, as the dominant organising logic of modernity, bureaucratic rationalisation creates levels of inefficiency, dehumanisation, and ritualism (Thompson and Alvesson, 2005). For example, Merton's (1949) analysis of so-called dysfunctions of bureaucracy questions the complete rationality and efficiency of the bureaucratic ideal type. He claims that rule following is dangerous and leads to an excess of "red tape". Standardisation and predictability can bring about a kind of trained incapacity, manifested in rigidity and defensive behaviour. Secondly, some researchers suggest that bureaucracy may be appropriate and functional only in certain economic or political environments (Burns and Stalker, 1961; Fischer and Sirriani, 1984). Organisations characterised by a high degree of unpredictability, instability, need for innovation and situational adaptiveness may find that bureaucracy is less appropriate (Thompson and Alvesson, 2005).

Both scientific management and bureaucratic organisations are criticised for their dehumanised nature and neglect of the importance of social relations in work groups. Human relations, on the other hand, acknowledges the importance of human factors and informal aspects for organisations without abolishing scientific management and formal bureaucratic structures. The human relations approach introduces the informal dimension, which extends the rationalisation process to the "soul" of the worker (Pringle, 1989; Rose, 1990).

Influenced by Durkheim's (1964) ideas of social solidarity and anomie, originally published in 1893, Mayo (1933), one of the leading researchers of the human relations "school", studied factors that could essentially motivate workers in the Hawthorne studies. The results show that most interventions, whether they make conditions better or worse, seem to enhance production. Therefore, authors suggest that not only changed conditions, but also changed attitudes and social relations contribute to increasing output (Dunbar and Statler, 2010; Watson, 2008). Researchers also argue that people would be willing to work for themselves as well as for their organisation if they were able to work happily as a team and to perceive less coercion, and greater autonomy. For Mayo, management could fulfil employees' social needs by "providing them satisfaction of working together, by making workers feel important

in the organisation and by showing interest in their personal problems” (Williams, 2007, p.156), in order to avoid both social breakdown and industrial unrest (Grey, 2005).

The human relations approach has been seen as a response to the limitation of scientific management and a reinforcement of managerial authority. Rather than eradicating disruptive irrationalities (e.g., tradition and sentiment) as suggested by scientific management, human relations approaches perceive “sentiment... as an untapped resource for securing improved levels of commitment and productivity” (Alvesson and Willmott, 1996, p.111). Moreover, although both scientific management and human relations approaches share similar ideas of formal or instrumental rationality, the latter approach introduces the informal dimension and extends the rationalisation process into the “soul” of the worker (Pringle, 1989; Rose, 1990).

Following this human relations tradition, a group of MIT researchers further studied the role of hierarchy and participatory democracy in organisations (e.g., Bradford et al., 1964; Lewin, 1943). They argued that the authoritarian ideology associated with imposed rules seemed to have been replaced by a humanist project emphasising the emotional and psychological aspects of groups. Their research proposes a democratic structure in which disputes could be resolved and performance targets achieved through participatory dialogue, without trampling on workers (Bradford et al., 1964). Since close monitoring/supervision usually involves a lack of trust and/or confidence in employees’ competence and capability, it is less acceptable in the contemporary workplace (Willmott, 2005). Therefore, the “them-and-us” approach seems less necessary under so-called democratic, participative or high involvement styles of management and forms of work. By offering employees certain degrees of autonomy over their work, such as goals setting and ways to perform, greater job satisfaction and higher productivity could be generated (Thompson and McHugh, 2009). Where there is substantive participation in the decision-making process, overt imposition seems to be absent (Willmott, 2005). The human relations approach promotes emphases on themes of “empowerment” and “commitment” in management theory, potentially leading to a decline in control studies in mainstream literature. This trend will be further illustrated in a later section after the discussion of functionalist implications for control studies.

2.2 Functional Perspectives on Management Control

Traditional studies on control are underpinned by a system approach derived from functionalist perspectives. Several classic approaches, such as the scientific management and human relations perspectives discussed above, can be conceived as closed system perspectives. Since organisations are viewed as closed systems, manipulable parts of an organisation could be regulated and co-ordinated internally through a rational means-ends relationship to secure particular goals. Therefore, control can be seen as a technical process associated with inputs and desired output. Structural components, including technical, human, formal and informal elements, are balanced and rebalanced by management to survive the system (Brown, 1992; Thompson and McHugh, 2009).

Because these classic perspectives treat organisations as self-sufficient entities or systems, there is a tendency to focus attention on manipulating the internal variables in order to attain organisational goals (Clegg and Dunkerley, 1980, p.191-6). However, in these approaches environmental factors are largely neglected. The functionalist theory (Parsons, 1951) assumes that organisations are interdependent systems with specific goals, but it introduces environmental factors and suggests that any social system should adapt to the changing environment. Therefore, there is in organisation studies a transition from a closed system approach to an open or organic system approach.

Early researches on management control were significantly affected by the system approaches. Researchers frequently used the concept of management control system, which comprises multiple formal and informal control mechanisms (Cardinal et al., 2010). According to Otley et al. (1995, p.532), management control systems can be understood as “a broad set of control mechanisms designed to assist organisations to regulate themselves”, and include both the provision of performance related information and the implementation of corrective actions. Numerous control systems have been proposed by researchers, for example cybernetic (Welsh, 1988), behaviour/output (Ouchi, 1977), market, bureaucratic and clan (Ouchi, 1977, 1979; Williamson, 1975), and inputs (Jaeger and Baliga, 1985; Snell, 1992).

Based on the targets of control, including inputs, behaviour, outputs, minds or other elements of the organisational transformation process (Alvesson and Kärreman, 2004; Cardinal et al., 2010), numerous researchers discuss different control systems. According to Ouchi's (1977) behaviour/output model of control, if managers are knowledgeable about employees' behaviours during work, and if those behaviours can be monitored, evaluated, and rewarded, then management will attempt to control employees' behaviours through designing and supervising the work process (Alvesson and Kärreman, 2004; Raelin, 2011). The behaviour control system relies on direct monitoring or personal surveillance of subordinates' activities to ensure that those subordinates adhere to specified procedures (Ouchi, 1977; Ouchi and Maguire, 1975).

Within a bureaucratic framework, formal behaviour control promotes desirable actions that subordinates exhibit on the job; in other words it structures the transformation process of work (Ouchi, 1977). Within a centralised hierarchy, behaviour control is initiated top-down in the form of operating procedures (Cheng and McKinley, 1984; Hitt et al., 1990). Subordinates' actions are closely monitored and evaluated by superiors in order to ensure that they adhere to procedure (Ouchi, 1977; Ouchi and Maguire, 1975; Thompson, 1967).

The output control system involves specifying targets for subordinates, but gives them discretion regarding the means to achieve specific targets (Ouchi, 1977). Unlike behaviour control, within the output control system superiors set targets for subordinates to pursue rather than monitor standardised operating procedures (Hill and Hoskisson, 1987). Managers tend to focus on a final product and set specific standards for output quantity and/or quality to evaluate and reward employees (Eisenhardt, 1985; Mintzberg, 1979; Ouchi, 1979).

Input control aims to direct "how material and human resource elements of their production processes are qualified, chosen, and prepared" (Cardinal et al., 2010, p.59). Input control can be used to regulate employees' knowledge, skills, values and motive through selection, training and/or socialisation practices (Jaeger and Baliga, 1985; Snell, 1992). It can also be used to qualify vendors, equipment, or raw materials (Cardinal et al., 2010). Snell (1992)

suggests that input control through selection and training could prevent performance problems.

Last but not least, control over minds tends to influence work behaviours indirectly through norms, emotions, beliefs and values (Alvesson and Kärreman, 2004). This kind of control is discussed by Ouchi (1977, 1979) as the clan control system, in which managers tend to focus on informal control mechanisms such as traditions and beliefs. Through the operation of such informal control mechanisms, employees are motivated to align their values with organisational or collective values (Roth et al., 1994; Cardinal, 2010).

However, there are few explicit studies on management control in mainstream literature. This is partly because of the decline of traditional forms of control, especially formal forms of control less adaptive to post-modern organisations and the increasing service work organisations. In theory at least, the development of new technology and the innovation of new management practices abolish traditional control. Moreover, in functionalist studies, control is viewed as a set neutral technical devices and the control relation in the workplace is largely ignored. Therefore, it is necessary to adopt a critical perspective to study management control in order to deepen the understanding of control relations in contemporary workplaces and to explain the problems of management and control practices that cannot be fully understood by using a purely functionalist perspective. Studies of control from critical perspectives is reviewed in the next section.

2.3 Critical Perspectives on Management Control

Within mainstream studies, organisations are viewed as rationally designed instruments for achieving particular goals, and represented as media to fulfil people's needs through producing goods and providing services (Alvesson et al., 2009). Hence, early analysis of management is characterised by an emphasis on the technical meaning, without adequate appreciation of particular historical, socio-political and economic contexts. For example, management is described as a universal process consisting of a range of functions such as organising, planning, coordinating and control (Fayol, 1949), aimed at increasing efficiency and effectiveness in workplaces (Alvesson and Willmott, 2012). As a technology of goal

achievement (Macintyre, 1981), management practices including control are presented as a set of neutral techniques to guide and empower employees to work more effectively (Alvesson and Willmott, 2012). There is a performative intent embraced in such non-critical research, in which knowledge is viewed as neutral, and inscribed within means-ends calculation. As Fournier and Grey (2000, p.17) note: “Non-critical management study is governed by the principle of performativity which serves to subordinate knowledge and truth to the production of efficiency... performativity is taken as an imperative towards which all knowledge and practice must be geared.”

When management is described as a technical activity, the presence of social relations is largely ignored. However, many problems of management cannot be solved solely through the development of more efficient and effective means of technical control. For example, problems such as gross inequalities, unemployment and ecological destruction are social and political in organisations. Since organisations are socially constructed and political in nature, it is crucial to explore the social relations under particular politico-economic systems, and their influences on forming functions of management (Alvesson and Willmott, 2012; Delbridge, 2011). Therefore, critical scholars suggest that studies of control should move beyond the exclusive consideration of financial measurement of inputs and outputs driven by profitability, and pay attention to the wider social processes and consequences of these (Delbridge, 2011).

Informed by the thoughts of Marx (1990), some scholars (e.g., Fox, 1974; Marglin, 1974) challenge the idea that the design of work and patterns of employment are “neutral” or “appropriate” to prevailing economic conditions, as they were created by the development of science and knowledge in the industrial revolution. Instead, they analyse these development through the asymmetrical power relations and material outcomes within wider socio-economic contexts. As Delbridge (2011) explains, early critical research focused on the labour process. A group of researchers inspired by Marx’s work investigated the changing nature of skills, social statuses of workers, and the degradation of power, and linked their analysis to features of the particular economic system – capitalism (Braverman, 1974; Edwards, 1979). They placed explicit emphasis on the power relations between owner, manager and workers and identified the contest between capital and labour, as well as

revealing the reasons why different interests emerged among organisational members under the capitalist structure. Later, other critical scholars, notably influenced by Foucault's work, challenged these "structuralist" points of view and suggested that they show inadequate concern for the topics of subjectivity, identity, and resistance. These scholars gave more attention to "meaning-making" rather than the contests around "technical and material interests", aiming to demonstrate the socially constructed power and domination (Delbridge and Ezzamel, 2005). This section emphasises on these two critical theories which facilitate the development of critical management studies and offer an alternative analytical resource to discuss the nature and consequences of different management control strategies within wider historical, socio-political and economic contexts.

2.3.1 Labour Process Theory (LPT)

Labour process theory (LPT) holds that market mechanisms are not sufficient for regulating the labour process. Because of the incomplete employment contract, capitalists should control the labour process and prevent potential resistance from workers (Adler, 2007). Capitalists pay wages for workers' labour power and take the value the labour creates. It is vital that such value is more than the payment given to workers, so that surplus value can be ensured. Following the logic of the capitalist mode of production, there is a need for capital accumulation. To ensure profitability and capital accumulation, the capitalist seeks to exploit workers to gain as much surplus value as possible (Marx, 1976; Jaffee, 1998; Thompson, 1989; Thompson and McHugh, 2009; Watson, 2008). On the other hand, the workers sell their labour power for wages to survive. They have their own interests, for example, better payment, job security and job satisfaction, which are sometimes contradictory to capitalists' interests. Therefore, the employment relationship between capital and labour is essentially contradictory and eventually conflictual. Marxist analysis of control draws upon an essential indeterminacy in the translation of labour power into actual labour (Braverman, 1974; Marx, 1976, Thompson, 1989; Thompson and Smith, 2009).

Control is one of the most important concepts in LPT, because it is viewed as an essential means to form the "principal mechanism", and therefore to reduce the indeterminacy of labour (Clegg, 1981; Thompson, 1989). Concern with the labour process was resurrected by

Braverman's (1974) argument on Taylorist and scientific management. Based on Marx's discussion of the capitalist labour process, Braverman acknowledges the fundamental but unpredictable conflict embedded in capital and labour relationships. He comments that "what the worker sells, and what the capitalist buys, is not an agreed amount of labour, but the power to labour over an agreed period of time" (quoted by Delbridge, 2011, p.82). In addition, Braverman suggests that within the increasingly competitive economic markets, capitalists tend to gain profit through the degradation of skill. Both the indeterminacy of labour and inherent conflict within the capitalist employment relationship (structural characteristics of the capitalist labour process) facilitate the understanding of control as central and negotiated in capitalist organisations (Thompson and O'Doherty, 2009). Efficiency, control and exploitation are then inseparable in labour process debates.

According to Braverman's analysis of scientific management, the separation of conception and execution could tighten managerial control. This is because work knowledge becomes owned by management, who take over the responsibility for the conception of work. The application of science and technology allows management to split the work into partial operation to routinise the work process. Hence workers have only partial knowledge related to their particular tasks. Due to the deskilling, division of labour, and routinisation of work, non-managers are left to execute standardised and fragmented tasks, thereby excluding any vestige of autonomy (Sewell, 1998; Thompson, 1989). This situation reinforces the Marxist tradition of "representing the politics of the labour process as a struggle over who determines the nature and form of work, a polarised contest between worker autonomy and the assertion of managerial prerogative" (Sewell, 1998, p.399).

However, Braverman's work has been challenged and seen as flawed by many researchers. Early debates around Braverman's thesis accepted the concept of "control imperative" in the capitalist labour process, but the forms and strategies of control are more complex and diverse than Taylorism as expressed by Braverman. Moreover, the resistance generated at the corporate level is also largely neglected in Braverman's thesis. Therefore, a number of scholars have sought to locate control practices in the changing corporate and societal regimes (e.g., Burawoy, 1979, 1985; Richard Edwards, 1979; Friedman, 1977; Thompson, 1990). In the next section, several critical revisions of Braverman's LPT are reviewed.

2.3.2 Critical Revisions of Labour Process Theory (LPT)

Braverman's work, although flawed to some extent, provides a path for scholars to extend and advance a dialectical approach dealing with the contested and negotiated nature of workplace relations, which directly connects to the emphasis on "strategies of management control" (Delbridge and Ezzamel, 2005). Thompson and Newsome (2004) categorise this research trend as the "second wave" of labour process debate with regard to the shortcomings in Braverman's study and the contingent and contesting aspects of organisational control (Delbridge and Ezzamel, 2005).

Following in this tradition, a set of post-Braverman scholars provide critical revisions to Braverman's LPT (e.g., Burawoy, 1979, 1985; Richard Edwards, 1979; Friedman, 1977; Hyman, 1987; Thompson, 1990). These scholars suggest that control is essential to the capitalist labour process, but the forms and strategies are more varied and complex than Taylorism (Thompson and van de Broek, 2010). The causal and sequential patterns of control strategies are developed by researchers focusing on the struggle occurring at micro level and its relationship to broader management regimes; hence it is possible to reveal a connection between workplace, industrial relations, the state formations and broader social structures (Thompson and Smith, 2009). The dialectic of control and resistance becomes a key feature among various researches in the second wave of labour process debates.

Richard Edwards' (1979) thesis on three models of control is one of the best-known studies providing assessment and evaluation of the historical development of managerial control strategies. He identifies three historically successive dominant modes of control in capital economies, namely simple/personal control, technical control and bureaucratic control. Owing to the increasingly complex nature of capitalist production and accumulation, and the development of monopoly capitalism, the simple control strategy, which associates with direct authority exercised by employers, was discovered insufficient. Subsequently, resistance to simple controls, and changing socio-economic conditions, led to a shift toward strategies of control based on formal structures of organisation, such as "technical control" through the use of assembly line, and "bureaucratic control" based on social and organisational structure

and the combination of formal rules, hierarchy and career structures in large-scale organisations (Delbridge and Ezzamel, 2005; Sewell, 1998). Edwards' (1979) discussion on bureaucratic control extends jurisdiction of management by taking workers' values and personalities into account. Based on the extensive rules of the internal labour market, workers are rewarded differentially by managers according to their discipline, dedicated work and conformity to organisational standards. Therefore, bureaucratic control promotes workers' identification and loyalty based on organisation rather than class.

Some early studies take into account issues of workers' autonomy. For example, Gouldner (1954) discusses how discretion or "indulgence" becomes part of workplace relations. However, Braverman (1979) and Edwards (1979) fail to consider managers and workers as active agents in their analyses of control. Responding to the shortcomings of Braverman's thesis, Friedman (1977) recognises the possibilities for some workers to better resist managerial control, and points out that managerial control strategies and job designs may vary according to different circumstances. He argues that since workers' resistance can potentially increase cost and reduce management flexibility, it is necessary for managers to take this into account and adjust their strategies according to particular situations. Moreover, managers sometimes allow workers to exercise a certain degree of discretion if this aligns with managers' interests. Therefore, managers have a choice between "direct control" and "responsible autonomy". The former refers to Taylorist principles suggested by Braverman, while the latter gives workers a certain level of discretion and responsibility in their work (Delbridge and Ezzamel, 2005; Delbridge, 2010). Thompson and McHugh (2009) comment that Friedman's strategic poles of direct control and responsible autonomy rightly eschew the notion of stages implied in Edwards' work, and suggest that these two strategies run parallel throughout the history of capitalism.

Besides Friedman (1977), some other scholars also acknowledge managers and workers as active agents. For example, Burawoy (1979) discusses how game-playing and rule-breaking on the shop floor contribute to managerial control. He brings the concept of consent into the previous "control-resistance" model in the labour process debate, and demonstrates that subjectivity is crucial for understanding the dynamics of work organisations in capitalist economies. Burawoy (1984, p.7) criticises Edwards' (1979) schema and claims that "the

paradox...of contemporary Marxist discussions of the labour process is that while they harp on the idea of control they fail to theorise political and ideological moments of production". He then emphasises the "reproducing of social relations" (Burawoy, 1985, p.14) and argues that "Braverman's restricted attention to the "objective" elements of work does not allow us to understand the nature of control [which] involves what Braverman would refer to as "subjective" aspects of work and which I will refer to as political and ideological processes" (Burawoy, 1985, p.35).

Burawoy (1979, 1985) recognises that workers' interests and ideologies constituted in the shop floor cannot be attributed merely to the class structures or external agencies of socialisation. His discussion on consent can be viewed as an advance on "objectivism" that complements the structural analysis with an emphasis on the subjective conditions; however, it is viewed by some poststructuralists as an insufficient discussion of subjectivity (e.g., Knights and Willmott, 1985, 1989).

In addition, Edwards and Scullion's (1982) study also indicates that control regimes are inherently contested and continuously changeable, and shows how workers adopt diverse actions, such as absence, turnover and sabotage, towards control regimes while management develop policies and practices to counter shop-floor controls. Edwards and Whitston (1989) then demonstrate control regimes in their account of the "dialectics of discipline". They accept about the idea of dynamics of control, resistance and consent in the workplace. However, unlike those studies that treat the task structure as a primary empirical site to study control, Edwards and Whitston (1989) focus on the operation of discipline and the control of attendance in the workplace. Drawing on two qualitative case studies, Edwards and Whitston (1989) explore changing managerial policies and the effect on workplace relations. The tightened disciplinary regimes in the case studies have a more symbolic influence rather than a direct impact on workers' behaviour and attitudes, but the scope and effects remain incomplete. The authors also question stages or sequential articulation of control, and suggest that the new workplace order does not abolish "bad old ways" (Edwards and Whitston, 1989, p.24).

Since the 1980s concerns regarding control regimes have shifted from traditional Taylorism/Fordism and bureaucracy towards value-based cultural or normative control targeted at shaping employees' subjectivities and identities (Thompson and Harley, 2007). The discussion on this so-called "cultural turn" from poststructuralist perspectives will be presented in Section 2.4. Researchers working with LPT also recognise the shift towards more indirect and softer controls, and extend research to service sectors. For instance, Fuller and Smith (1991) emphasise control through customers, particularly the use of customer report cards. They investigate how employers attempt to improve service quality by using more unobtrusive control while maintaining its overall managerial prerogative.

A large number of scholars have developed labour process research within the context of call centres. Call centre labour process is more complex than traditional manufacturing settings, for it requires "extra-functional" skills beyond technical and task-based definitions (Warhurst et al., 2009). In call centres and other front-line service employment, social skills and competences are required in order to improve service quality and meet customers' needs, so employers seek to select potential employees who are predisposed to fit in with these requirements and can more easily be trained as effective employees (Callaghan and Thompson, 2001). Moreover, employees' feelings and bodies are viewed as new sources of labour power, and employers seek to mobilise emotional labour to maximise the utilisation of labour power (Callaghan and Thompson, 2005; Hochschild, 1983). Therefore, LP studies extend the conventional wage-effort bargain to an emotional-effort bargain which constitutes a contested terrain of the emotional labour process (Bolton, 2005; Warhurst, et al., 2009).

LP scholars also acknowledge the necessity of normative control, and identify the integrated control system in call centres, consisting of technical, bureaucratic and normative controls (Callaghan and Thompson, 2002), which potentially can create an "assembly line in the head" (Taylor and Bain, 1999). This integrated control system simultaneously facilitates the more intensive utilisation of labour power by using rigorous technical and bureaucratic controls, and ameliorates the intense nature of call centre labour process by persuading employees to identify with the organisation (Baldry et al., 2007; Callaghan and Thompson, 2001).

This section has interpreted how orthodox labour process theory has been developed by materialist labour process scholars who highlight the inherent complexity of control regimes in relation to political economy and work designs and acknowledge employees as active agents to some extent in constructing social relations of production. The labour process tradition focuses on how workplace relations are shaped and constrained under the dynamic combination of structural, technological and ideological mechanisms developed by management (Burawoy, 1985; Child, 1985; Littler and Salaman, 1982; Thompson, 1989). Because of the antagonistic nature of capitalist workplace relations and the indeterminacy of labour, there is a control imperative in the pursuit of profitability and capital accumulation (Thompson, 1989).

However, the orthodox labour process theory has been challenged for its essentialist logic of human nature and capitalist interest. Individuals in the capitalist system are viewed as bearers of particular class interests and relations; therefore subjectivity is marginalised (Knights, 1992; Knights and Willmott, 1989). As Giddens (1982) claims, there is inadequate debate regarding the reactions of workers to the technical division of labour and Taylorism, because their knowledgeable ability and capability as agents is underestimated. Although some later researchers have revised the omission of subjectivity in terms of the recognition of class conflict and worker resistance, “almost no attempt to address subjectivity as a critical issue for theorising the self-understanding of management, labour and their relations has been made” (Knights and Willmott, 1989, p.554). Furthermore, Burawoy’s (1979, 1985) arguments on subjectivity, in terms of his analysis of the conception of consent and the capacity for creativity in labour power, have been criticised for the “realist” ontology and “objectivist” methodology adopted to discuss organisational control (O’Doherty and Willmott, 2001).

Therefore, worker subjectivity and agency have become central emphases for some critical researchers who advocate that corporate culture and organisational symbolism play crucial roles in the understanding of management control in contemporary workplaces. The highly rationalistic and deterministic assumptions within both the neo-Weberian approach and labour process analysis are challenged, and themes such as identity, emotion, insecurity and ethnicity necessarily play more important roles in understanding initiatives of management

control. These changes to research focus, coupled with the critique of “the missing subject”, have stimulated the discussion of “cultural turn” in control studies (Casey, 1995; Knights and Willmott, 1985, 1989, 1990), which will be illustrated in the next section in association with poststructuralist perspectives.

2.3.3 The Poststructuralist Turn in Labour Process Debates

Debate on “the missing subject” has been developed within both labour process and poststructuralist analyses associated with their theoretical or empirical investigations on organisational practices relevant to the issue of control (Ezzamel et al., 2001; Knights and McCabe, 2000; O’Doherty and Willmott, 2001; Thompson and Newsome, 2004; Willmott, 1990). Researchers in both traditions have maintained some aspects of their ideas while revising or developing others reflectively through debate and communication with their contesting camp. Although their research derives from distinct theoretical foundations, the boundary becomes permeable and they use overlapping perspectives to analyse the nature of organisational control and its influences on the employment relationship in contemporary workplaces.

Within social theory there has been a long history of examination of “subjectivity”, “self” and “identity”. Researchers have sought to understand how subjective meanings are constructed by individuals to inform their actions, relationships and identities. Human beings are traditionally viewed as unitary, coherent and autonomous individuals who are separate and separable from social relations and organisations. Behind this perspective is a dualistic tendency whereby individuals and society, mind and body, rationality and emotion are seen as artificially separated concepts (Collinson, 2003).

As noted in the previous section, there is a dualistic presupposition in structuralist analysis of LPT whereby “structure is opposed by agency, management is pitted against labour, and control is confronted by resistance” (Thompson and O’Doherty, 2009, p.110). As Knights (1990, p.303) suggests, labour process theory has been “inclined to a view of subjectivity as representing the productive and autonomous aspects of human existence, which are to be

contrasted with the objective structures that constrain them”, so the analysis of subjectivity in LPT tends to be deterministic.

By contrast, poststructuralist writers point out that such dualism underestimates the potential of human agency and subjectivity in the process of reproducing and transforming social structures (Knights and Willmott, 1989; Thompson and O’Doherty, 2009). Some suggest that Burawoy’s discussion on consent does not reveal the underlying reasons for workers’ wish to acquire competence and dignity (Knights, 1990; Knights and Willmott, 1989; O’Doherty, 2009; Willmott, 1990). O’Doherty and Willmott (2001) argue that Burawoy’s (1979; 1985) analysis on subjectivity in terms of workers’ consent actually closes down the question of “the missing subject”, because his analysis merely explores “how struggles between capital and labour are articulated within and through the subjectivity of those engaged in them” (O’Doherty and Willmott, 2001, p.461). The subject then becomes a central concern in critical studies, albeit one that is phrased in different ways, sometimes associated with “self” or “selves”, at other times with “subjectivity” or “identity” (Jones, 2009). Some critical scholars take directly from Foucault and promote discussion around subjectification and subjectivity at work (e.g., Knights and Willmott, 1989; Knights, 1990).

“Subject” in poststructuralist writings is viewed as a target of managerial interventions, and subjectivity is constructed through insidious “disciplinary power” embedded in various managerial interventions (Deetz, 1992, 2003). For Deetz (1992, p.37): “Disciplinary power resides in every perception, every judgement, every act...Rather than analysing power in the organisation as if it were a sovereign state, the conception of power has to be reformed to take account of this more massive and invisible structure of control.” Within the field of organisation, subjectivity has become an increasingly influential concept to understand control relations and theorise management control (e.g., Alvesson and Willmott, 2002; Knights and Morgan, 1991; Willmott, 2005).

Foucault (1977, 1980) evaluates Bentham’s (1832) panopticon as an ideal type of disciplinary power. The panopticon is an imagined prison designed by Bentham where all single cells are constructed as a ring around a central watchtower. Warders in the watchtower can monitor

the actions of every inmate at all times, but optical manipulation means that they are invisible to the prisoners. The operation of the panopticon places inmates in a tensional circumstance, since at any one moment, they feel that they might be under continuous gaze from the watchtower, even if warders are not watching them all the time (Foucault, 1977; Sewell and Wilkinson, 1992; Sewell, 1998).

A central aspect in the operation of the panopticon is the potential of being observed rather than actually being observed. Therefore, the panopticon offers a form of surveillance that resides less in actual supervision or observation, and more in the perceived impossibility of avoiding the observer's gaze (Clegg, 1998; Foucault, 1977). The knowledge of the unseen gaze can itself be sufficient to internalise discipline of norms and behaviour and to produce disciplined obedience, "as subjects learnt to survey themselves, to be reflexively self-regarding as if under the ever present and watchful eye of surveillance" (Clegg, 1998, p.35). As Lyon (2001, p.175) notes, this surveillance offers a way of "obtaining compliance through fear".

Moreover, Discursive practices and the power relations they engage in are two key themes used by poststructuralist scholars to investigate subjectivity (Knights and Collinson, 1987; Knights and Willmott, 1989; McKinley and Starkey, 1997; Townley, 1994). Knights and Willmott (1989, p.554) apply Foucault's work to labour process theory and suggest that: "Rejecting the essentialist application of human nature, subjectivity is understood as a product of disciplinary mechanisms, techniques of surveillance and power/knowledge strategies." This implies that individual habits and dispositions are inextricably associated with the wider context of political economy.

In order to understand relationships between subjectivity and power, many researchers have attempted to explore how workers define themselves and become "the principle of [their] own subjection in power relations" (Foucault, 1977, p.203). Rather than a prerogative of sovereign authority, power is conceptualised in a network of relations in which power and knowledge are interwoven (Foucault, 1972, 1977). Rather than an authority wielded by someone over others, power is exercised to discipline both self and others (Knights and

Morgan, 1991; Miller and O’Leary, 1987; Roberts, 1991). As Minson (1986, p.113-114) points out, power “in its actual exercise must be ever constitutive of the subjectivity of the agents of power relations”. Thus, poststructuralist scholars tend to explore how subjectivity can be constructed from discursive practices which function as disciplinary technologies through more mundane and invisible forms within the networks of power/knowledge relations. (Ezzamel and Burns, 2005).

Moreover, Foucault (1980) points out that discourses are conceptualised as power/knowledge relations in linguistic communications that are historically embedded in social practices. Effects of “elite discourses” and other “technologies of power” contribute to constitute individuals as subjects, because discourse “invents and attempts to exercise a form of rule through the production of certain sorts of human subject” (du Gay and Salaman, 1992, p.728). Therefore, the construction of subjectivity and the exercise of power principally rely on discourse.

Many researchers stress the correspondence between contemporary managerial discourse and employee subjectivity (e.g., du Gay and Salaman, 1992; Knights and Willmott, 1989; Knights and Morgan, 1991, 1994). For instance, there has been an increasing application of corporate cultural programmes in contemporary workplaces, which has furthered the analysis of worker subjectivity and corporate power in the field of organisation studies. A large body of literature focuses on how unobtrusive forms of control use values, norms, beliefs, attitudes and myth etc., to influence workers to identify themselves with organisations, so they may achieve organisational goals unwittingly by their own volition (Jermier, 1998). Rather than giving overt direction on employees’ performance output and behaviour, these unobtrusive forms of control embedded in cultural building and other new managerial discourses target the very inner being of employees, such as their identities.

On the other hand, inspired by Foucault’s work, some scholars have rejected the dualism of structure and agency and replaced it with an emphasis on the role of discourse in which subjectivity is constructed through discursive practices in dynamic power/knowledge relations (Knights, 1990; Knights and Willmott, 1989). Therefore, in some early studies on

subjectivity, the polarities of structure and agency are abandoned, and the real world is deconstructed to some extent by mundane and endemic discursive practices (Knights, 1995, 1996). It has been suggested that an object only exists if it can be articulated by the subject through the intervention of discourse (Delbridge and Ezzamel, 2005). However, contrary to the suggestion of some poststructuralist scholars, this conceptualisation does not deny the existence of a material world. Rather, it highlights that this material world can be identified and articulated only through subjects' ability to engage with it discursively. According to Torfing (1999, p.85), discourse is "a differential ensemble of signifying sequences in which meaning is constantly renegotiated", so meanings are partially fixed and alternative discourses may emerge and circulate.

Moreover, Parker (1999) uses a concept of "post-dualism" to represent a school of thought that attempts to move beyond the structure-agency dualism derived from both poststructuralist and modernist structuration (e.g. Giddens, 1982). Rather than denying an ontological assumption of dualism, Parker (1992) rejects an analytic division, because structure and agency are inextricably intertwined in practice. As Parker (1992, p.35) points out: "Agency is conditional on structure in the same way that speech is conditional on grammar, but, at the same time, structures only exist insofar as they are created by agents." Therefore, rather than argue for one against the other or abandon them totally, post-dualism contributes to reframing social analysis. Since individuals are embedded in social relations, because their lives are inevitably interwoven with the social world in which they live (Layder, 1994), they cannot be separated from society (Giddens, 1979). According to Burkitt (1991), individuals are "social selves" and their actions are best understood within particular conditions, processes and consequences.

This section has reviewed several critical theories derived from labour process debates, such as labour process theory and poststructuralist arguments on "the missing subject" in orthodox labour process theory. To help develop understanding of subjectivity, reference has been made to the work of Foucault. The next section discusses the application of these critical theories in conceptualising contemporary management control. Three interrelated concepts - identity, control and resistance - are analysed in relation to the changing social economic environment, and the section examines how the analysis of these concepts contributes to

improve knowledge and understanding of purposes of new controls and their effects on employees in terms of compliance and commitment or resistance.

2.4 Identity, Control and Resistance

Identity has been considered a key concept in the analysis of management control, and is frequently related to subjectivity, organisational identities and identity work. This section begins by presenting the changes in individual identity under a dynamic and fast changing capitalist environment. Then, it addresses poststructuralist analyses on forms of control that operate to manage workers' identity and develop self-disciplining subjects. Finally, the issue of resistance is further analysed.

2.4.1 Identity

With the development of economy and society, there have emerged new configurations of capitalistic relations. A number of academic commentators have acknowledged this tendency and described these new configurations as the “network society” (Castells, 1996), “liquid modernity” (Bauman, 2004), a “new spirit of capitalism” (Boltanski and Chiapellio, 2006) and “new capitalism” (Sennett, 2006). Although different terms are used according to diverse research interests and focuses, all these concepts share a common position that the dynamic of capitalism faces significant and intensified changes, especially changes in production and consumption and significant and fast mobility of people across national boundaries (Thomas and Davies, 2011).

As increasing numbers of new populations have entered into paid work, for example women and immigrants, and as workforces have become more mobile, travelling great distances to look for jobs, there has been a shift in the composition of labour forces (Leidner, 2006). Moreover, traditional organisations have undergone structural changes, adopting flatter hierarchies and flexible working practices, such as de-layering, contracting out and other forms of “corporate liposuction” (Burrell, 1997; Nohria, 1992). Accordingly, work has become more intensified and job security increasingly uncertain. Furthermore, the decline of manufacturing and the expansion of service work marks an economic restructuring where

service workers face distinct challenges compared to manufacturing workers. Instead of work and production, consumption has become a crucial arena of identity construction (du Gay, 1996). In addition, the emergence of new technologies has stimulated the establishment of new kinds of work which replace the obsolete ones (Leidner, 2006). Accordingly, many traditional “identity anchors”, such as occupation, class, union, and religion, have collapsed and insecurity has become a key feature of new employment relations.

The new configurations of capitalistic relations place significant pressure on both employees and employers. Employees face greater work intensification and increasing uncertainty over job security, while employers pursue lower cost and better quality of products and customer services in order to survive in the competitive and fast changing environment. As work organisations change in their structure and in ways of managing their workforces, and forms of work become more flexible, fragmented and individualised, individuals experience greater “turbulence” in their lives, such as greater anxiety, uncertainty, unfamiliarity and insecurity in their identities (Thomas and Davies, 2011). Therefore, in contrast to the labour process theory that considers the indeterminacy of labour as the central concept to point out the always incomplete and contestable nature of control, in the poststructuralist tradition the notion of indeterminacy largely refers to the existential insecurity of individuals (Thompson, 2009).

Accordingly, poststructuralist scholars promote control over individual identity. As a form of normative control, identity control refers to “more or less intentional effects of social practices upon processes of identity construction and reconstruction” in order to produce the “appropriate individual” (Alvesson and Willmott, 2002, p.629). Management frequently encourages workers to align their self-conceptions with organisationally inspired discourses (Alvesson and Willmott, 2002; Alvesson et al., 2008; Casey, 1995; Kunda, 1992; McCabe, 2007). A number of normative discourses, such as empowerment, teamworking, leadership, and customer orientation, are used by management trying to capture the “hearts and minds” of employees (Deetz, 1992). Deetz (1995, p.87) further suggests that “the modern business of management is often managing the “insides” – the hopes, fears, and aspirations – of workers, rather than their behaviours directly”. Therefore, identity becomes a target for control strategies. According to Alvesson and Willmott (2002, p.652): “Identity regulation

encompasses the more or less intentional effects of social practices upon processes of identity construction and reconstruction. Notably, induction, training and promotion procedures are developed in ways that have implications for the shaping and direction of identity.”

The traditional bureaucratic control described by Edwards (1979) also has the capability to extend managerial jurisdiction to include workers’ values and personalities, because workers who perform disciplined and dedicated work and achieve the organisation’s standards are rewarded differently according to formal rules that promote organisational identification and loyalty. However, it should be noted that in contrast to the bureaucratic approach, poststructuralist scholars tend to understand the transformation of workers’ subjectivity in terms of managing workplace culture and manipulating workers’ values, attitudes and self-understanding (Leidner, 2006).

2.4.2 Cultural Turn

It has been suggested that classical/modernist controls, such as technical controls through assembly lines, and administrative controls through bureaucratic procedures, rules and hierarchies, are viewed as problematic in contemporary organisations (Fleming and Sturdy, 2011; Raelin, 2011). This was discussed in Chapter 1 as one reason for the shrinking of control studies in mainstream studies. In an increasingly competitive and dynamic business environment, organisations attempt to develop new managerial practices to survive. In the 1980s, firms began to show concern about the normative and emotional aspects of their workforce. Interest in corporate culture was promoted by some practitioners (e.g., Deal and Kennedy, 1982; Ouchi, 1981; Peters and Waterman, 1982) who argued that greater commitment and flexibility from employees can be secured through the project of “strengthening corporate culture”. This impression of corporate culture recalls the “dream” of human relations, because it transforms the corporation into “a happy family” (Gabriel, 1999) where members share mutual values and interests, which in turn enhances organisational performance.

According to Peters and Waterman's (1982) study *In Search of Excellence*, "strong corporate cultures" lead employees to form proper identification with the objectives of organisations. As the authors note, "all that stuff you have been dismissing for so long as intractable, irrational, intuitive, informal organisation can be managed" (Peters and Waterman, 1982, p.11). Through the mobilisation of diverse corporate culture media (Kunda, 1992; Alvesson and Willmott, 2002), there are significant effects on forming and influencing organisational identification.

From the managerialist point of view (within mainstream studies), the cultural change towards excellence and quality is not manipulative, because it is in accordance with human nature. Senior managers should be re-educated in quality management to create an environment for employees to express their nature. On the other hand, for ideology studies, managers attempt to build desirable values and beliefs among employees through a range of propaganda, such as the rhetoric of markets and customers. The ideology of excellence approach is described as an attempt to create moral superiority (Webb and Cleary, 1994), while the ideology of quality management is viewed as an attempt to establish hegemonic control over employees' thoughts and to replace consent by coercion (Tuckman, 1995). For instance, HRM is described by Keenoy and Anthony (1992, p.235) as an "ideological script" that redefines the meaning of work and employees' relationships with managers.

Moreover, poststructuralist scholars view corporate culture building as a more subtle form of normative control emphasising the privilege of discourse and the construction of identity and subjectivity. It has been suggested that the structural reorganisation and cultural changes that took place during the 1980s facilitated the emergence of new forms of control, which were superimposed upon and even intensified existing traditional forms of control based on "formal disciplinary rules and procedures" (Cassey, 1999, p.172). These new forms of control have more pervasive influences on employees' psychic and social lives. Gabriel (1999) sorts diverse forms of new control into four interrelated categories: structural changes, changes in manufacturing technologies, changes in technologies, and promotions of new sets of values, attitudes and beliefs. All of these complement and reinforce each other (Gabriel, 1999); for instance, cultural control based on values, attitudes and beliefs makes surveillance practices, such as TQM/JIT, more acceptable or invisible, which results in an intensification of effort

(Sewell and Wilkinson, 1992; Parker and Slaughter, 1993), and/or an elimination of dissent (Deetz, 1992; Willmott, 1993).

Studies on management control are not uniform, but are informed by diverse research traditions, including labour process theory, poststructuralist studies, psychoanalytic approaches, organisation studies, and emotion theory (e.g., Gabriel, 1999; Newton, 1998; Sewell and Wilkinson, 1992; Thompson and Ackroyd, 1995; Wray-Bliss, 2001, 2002). Working from different theoretical standpoints, scholars analyse management control in different ways. Even those who work in the same tradition may have different conceptualisations on management. Yet, it can be found from previous literature that the dominant research position in control studies adopts critical perspectives with particular emphasis on normative control and disciplinary control, on the effects of control for workers and on workers' identity.

Kunda (1992) believes that normative control is distinct from external control, because it seeks to manage the inner psyche of workers. For Kunda (1992, p.11):

“Under normative control, members act in the best interests of the company not because they are physically coerced, nor purely from an instrumental concern with economic rewards and sanctions. Rather they are driven by internal commitment, strong identification with company goals, intrinsic satisfaction from work”.

Normative control can be found in many new managerial discourses which incorporate core ideas of “strengthening corporate culture” in order to improve quality, flexibility and performance, such as Just in Time (JIT) and Total Quality Management (TQM) (Delbridge, 1995; Sewell and Wilkinson, 1992), Human Resource Management (Townley, 1993, 1998), and teamwork (Barker, 1993).

Corporate culture has been promoted for its usefulness in motivating workers to achieve better productivity through aligning them with a set of key values, beliefs and assumptions

(Denison, 1984; Lim, 1995; Ouchi, 1981; Peters and Waterman, 1982). It has been claimed that if the expression of sentiments, beliefs and attitudes is clearly conveyed by management, workers will internalise desirable values and norms, which makes constant surveillance unnecessary (Pfeffer, 1981; Ray, 1986). Critical scholars suggest that cultural building can be seen as a more soft form of control, termed variously as normative control (Kunda, 1992), cultural control (Deetz, 1992), cultural-ideological control (Alvesson, 1993), and/or socio-ideological control (Alvesson and Kärreman, 2004), which attempts to influence workers' behaviour indirectly through altering their values, attitudes, norms, emotions, beliefs and self-understanding through managing corporate culture (Alvesson and Kärreman, 2004). Therefore, these forms of control aim to promote employees' internal commitment to organisation values, rather than simply manufacture compliant behaviour to accomplish organisational goals (Kunda, 1992).

For instance, influenced by Japanese models of management, in the 1970s and early 1980s firms in western countries, especially in North America and Europe, began to break away from traditional bureaucratic rules and follow the "strong culture" approach to improve organisational performance. Since corporate cultural programmes encourage a sense of belonging and reinforce a value of making the organisation distinctively admirable, employees are frequently persuaded to participate in responsibility for an organisation's success by performing excellent work initiatives (Willmott, 1993). The adoption of TQM/JIT promotes this culture through functional flexibility in which workers perform multitasks and have greater accountability, responsibility and autonomy within work teams (Delbridge, 1995).

Raelin (2011, p.140) suggests that cultural control provides no more than an illusion of empowerment to workers, as it seeks to control the worker's mind to "only think that he or she is empowered". Critical scholars (e.g., Knights and Willmott, 1987) point out that through the internal public media of the organisation, such as the manipulation of language, this illusion of empowerment can be promoted. For instance, the language of liberation and self-actualisation can be mobilised to induce consent and commitment to organisational values (Alvesson and Willmott, 2002). The manipulation of language may engage workers in "a false consciousness" about their presumed empowerment and participation, so that their

good feeling within a promoted corporate culture may disguise the absence of real empowerment and participation (Casey, 1995).

2.4.3 Disciplinary Control

Inspired by Foucault's work, many poststructuralist scholars have tended to develop their studies on "disciplinary control" in terms of "culture turn" (Barker, 1993, 1999; McKinlay and Starkey, 1998; Sewell, 1998, 2005; Sewell and Wilkinson, 1992; Alvesson and Willmott, 2002; Cassey, 1995). For Reed (2011), Foucault's work has three main implications to study emerging control regimes in contemporary organisations. First, traditional control studies extensively focus on vertical control modes, but the horizontal or "capillary" forms of control are largely underestimated for their unconformity to bureaucratic rationality and authority. Hence, many Foucauldian scholars emphasise more informal and internalised forms of disciplinary power, such as teamworking (Barker, 1993; McKinlay and Starkey, 1998). Secondly, some scholars focus on the development of new "governmentality", which contextualises the emergence of "bottom-up" or network-based control within work organisations in neoliberal political economies and societies (Reed, 2011). It has been suggested that the shift from and through "flexible specialisation, new production concepts, lean production, post-Fordism, post-modernisation, and lately the knowledge economy" (Thompson, 2003, p.359) makes the centralised "command and control" systems unadaptable to the complexity and instability of dynamic capitalism (Castells, 2000). Last but not least, hybridised forms of control become increasingly diffused, resonating with the widespread capillary control within network-based forms of governance. Reed (2011) argues that the hybridised forms of control radically depart from the neo-Weberian model of a rational bureaucratic administration relying on primary structural control complemented with cultural elements. By contrast, hybridised forms of control refer to a combination of "competing design principles and operational process within much more loosely integrated and informally co-ordinated control regimes" (Reed, 2011).

Drawing on Foucault's work, some poststructuralist scholars seek to understand how "seemingly mundane techniques and systems" contribute to control mentalities, practices and relations in contemporary workplaces. For example, some scholars focus on delegated

authority and responsibilities to team members within self-managing teams, which represent a shift to collaborative work management (Barker, 1993) and in turn reinforce workers' identification with the organisation (Barker, 1993; Thompson and Wallace, 1996). According to Barker (1993), self-managing teams and peer pressure function as other forces of surveillance and persuasion and create a "concertive control". The "concertive control" runs on premised ideas, norms or rules recreated by team members based on organisational values and their negotiation, and replaces traditional supervisors' direct control with peer pressure, which could influence the level of performance and behaviour of the team (Barker, 1993; Sewell, 1998; Townsend, 2005).

Other researchers have focused on new forms of surveillance (e.g., electronic surveillance) driven by the development of information and electronic technologies which reform the effect of the panopticon in many workplace. For example, Zuboff (1988) suggests an "information panopticon" in which electronic information systems are utilised to initiate management control, so overcoming the constraints of space and time. The development of new technology has enabled the super-structure of surveillance covering everyday life, and such surveillance instils in individuals a profound sense of self-discipline and self-control. Importantly, operations that are unobtrusive and less obvious usually go unnoticed, and in this way the subjectivity of the individual is shaped (Poster, 1990). It has been suggested by Fernie and Metcalf (1998) that electronic surveillance operates perfect supervisory power, so that call centres become "new sweatshops".

Another strand of research examines new management strategies with surveillance capability and self-managing teams. Sewell and Wilkinson (1992) argue that there are two disciplinary forces enabling and enhancing the operation of TOM/JIT. The first involves a horizontal process in which discipline derives from peer scrutiny and quality circle, while the other refers to a vertical process where disciplinary power derives from shop floor surveillance based on management information systems. According to Sewell and Wilkinson, developments in information technology and managerial strategies have resulted in a paradox, creating "decentralisation and devolution of responsibility for tactical decision-making while at the same time generating higher levels of centralised, strategic control and surveillance" (Button et al., 2003, p.50). Sewell (1998) further discusses a hybridised

“chimerical mode of control”, which combines vertical control modes of electronic monitoring, traditional bureaucratic and technical control and horizontal control modes of surveillance through autonomous work teams. It has been claimed that under this hybridised form of control, power is everywhere and nowhere and employees can hardly escape from managerial control because the surveillance is both intensive and extensive; meanwhile the rhetoric of participation schemes provides a positive image of aligned interests between employees and organisation so that resistance may be seen as an outmoded concept (Sewell and Wilkinson, 1992; Sewell, 1998).

Another group of scholars concentrate their attention on the production of disciplined subjects through discursive practices and building occupational and organisational identities through the panoply of symbolic and cultural processes (Alvesson and Robertson, 2006; Alvesson and Willmott, 2002; Casey, 1995; Collinson, 2003). Many of these researchers have revealed the “dark side” of excellence practice and emphasise how employers use “corporate culturism” (Willmott, 1993), “post-Fordist hegemonic control” (Graham, 1995), “cultural cleansing” (Strangleman and Roberts, 1999) and/or “enterprising self” (du Gay and Salaman, 1992) to colonise employees’ internal selves and manage them to identify with the organisation (Willmott, 1993; Casey, 1995). Particular attention is paid to the privilege of discourse and the construction of identity through discursive practices. Through the manipulation of meanings, management attempts to modify employees’ thoughts and interpretation of “reality” to align with organisational interests and values (Willmott, 1993). These meanings are constructed through either ideologies or discursive practices in order to generate norms and meanings desired by organisations. For Deetz (1992), what employees believe and internalise as “common sense, self-evident experience and personal identity” (Deetz, 1992, p.37) are influenced significantly by organisations through the monopoly of discourses associated with disciplinary power.

According to Willmott (1993, p.527), quality management such as HRM and TQM leads to totalitarianism: “a totalitarian remedy... through control through uniform definition of meanings”. The advocated strong culture has hegemonic power (Burawoy, 1985, Graham, 1995), so the views of reality and the individual identities promoted by organisations are accepted willingly by employees. Because organisations tend to squeeze out employees’

ideas and practices that do not support organisational values, the totalitarianism arises from management activities to suppress cultural diversity.

Differing from both the symbolic interactionist tradition with its emphasis on employers' power, and the materialist labour process approaches with their emphasis on explaining workers' behaviour through meanings and identities, poststructuralist studies emphasise the self-disciplined subject. According to an influential approach proposed by Knights and Willmott (1989), the intersection of employers' strategies with "identity work" must be considered in a context of rapid change and proliferating choices (Giddens, 1991; Beck et al., 1994) where the potency of such strategies is increased. Specifically, workers' acceptance of subject positions available to them in employer-controlled cultures could be explained by the anxiety people feel about sustaining a sense of autonomy and of continuous selfhood, as well as by the allegiance they hold to other social structures and practices that support valued aspects of their identity.

To conclude, in managerialist literature normative oriented cultural control works to increase productivity and reduce recalcitrance through regulating workers' thoughts and emotions (Barley and Kunda, 1992). By contrast, in critical studies, culture building is identified as a form of control that attempts to colonise workers' identity (Casey, 1995), and to create particular types of personhood compatible with organisational desires and reconcilable with antagonistic employment relationships (Fleming and Spicer, 2003). This argument is implied in a number of discourses, such as "engineered selves" (Kunda, 1992), "designer selves" (Casey, 1995) and "enterprise selves" (du Gay, 1996). In addition, many Foucauldian-influenced scholars also stress the unavoidable panoptic gaze derived from both surveillance technologies and peer scrutiny in many workplaces. Consequently, in many early studies identity is often "subjugated" by the self-disciplinary power residing in discursive practices and surveillance technologies, so that potential worker resistance and divergent interest may be overcome (Casey, 1995; Sewell and Wilkinson, 1992). As Sewell and Wilkinson (1992, p.110) claim:

“...even if collective action were to take place, it would have to face the possible challenge of being undermined by the quality monitoring system’s ability to identify even the smallest possible divergencies from the norm made by individuals, who could then be singled out by management for dismissal”.

However, an increasing number of scholars have challenged the common but problematic assumption behind many studies of culture engineering and electronic surveillance, that workers’ selves can be fully controlled by the organisation or become “docile bodies” (e.g., Ezzamel et al., 2004; Collinson, 1992; Thompson and Ackroyd, 1995). Thompson and Ackroyd (1995) suggest that capitalist employment relations are by nature exploitative, oppositional and conflictual, so that resistance and misbehaviour in the workplace are ever present and should not be underestimated. The next section discusses ways in which recent scholars have identified and conceptualised informal forms of resistance in contemporary workplaces.

2.4.4 Resistance

It has been acknowledged that traditional forms of resistance, such as collective resistance through unions, strikes and coordinated output restrictions (Edwards, 1979; Fredman, 1977), and more quotidian resistance through sabotage (Mars, 1982) and hidden transcripts (Scott, 1985) are limited under disciplinary power and normalisation, but this does not mean that such forms of opposition have disappeared or ever will disappear (Fleming and Sewell, 2002). Recent research turns attention to more informal forms of resistance and misbehaviour, such as humour (Ackroyd and Thompson, 1999; Taylor and Bain, 2003), alternative interpretative repertoires (Knights and McCabe, 2000), irony (Trethewey, 1997), scepticism (Fleming and Sewell, 2002) and cynicism (Fleming and Spicer, 2002).

In a direct response to Sewell and Wilkinson’s (1992) assertion of an absence of resistance, some scholars have suggested that such neglect or marginalisation of resistance derives from an overstated extent and effectiveness of new management practices (e.g., Bain and Taylor, 2000; Thompson and Ackroyd, 1995; Townsend, 2005). In particular, Thompson and

Ackroyd (1995) argue that surveillance-based forms of control require sufficient capacity for the integration of collected information, but most organisations lack this capacity.

Following Thompson and Ackroyd (1995), a number of researchers focus on evaluating the effectiveness of the “electronic panopticon” in organisations. For instance, Bain and Taylor (2000) argue that the management of employment relationships is problematic in its actual practices, and workers do not always submit to systems of total management. Since the panoptic effect is far from perfect, workers are able to engage in collective resistance to the panoptic gaze, particularly in the form of workplace trade union activities. Nevertheless, Bain and Taylor’s (2000) critique on the panopticon does not deny the repetitive, intensive, stressful, and essentially Tayloristic features of the call centre labour process, and agrees the unprecedented degree of measurement and monitoring of workers’ output and performance.

Interpretations of more informal forms of resistance or misbehaviour also take into account identity and subjectivity. As Ackroyd and Thompson (1999) argue, identity is an important concept to understand organisation misbehaviour, since it becomes a key territory in which management and employees compete with each other for appropriate material and symbolic resources. For instance, Bain and Taylor (2003) emphasise the subversive aspect of humour and discuss how humour is used by call centre workers as a tool to form oppositional culture and facilitate union campaigns to weaken managerial authority. As the authors conclude (Bain and Taylor, 2003, p.1570): “Resistance, disobedience and collective organisation have emerged in familiar and novel ways in these most contemporary of workplaces.”

Moreover, Townsend’s (2005) case study in a call centre shows that workers may not be entirely trapped by electronic surveillance systems. Regardless of the level of individualised work, team members appreciate being part of a team and are able to use team cohesiveness to challenge the privilege of management control. Workers subject to close electronic surveillance systems, and who have little control within their work processes, frequently engage in finding ways to get the better of the machine, while those not “chained to the machine” and who have higher levels of discretion and flexibility within their work processes, are more likely to resist the management.

Timmons' (2003) study of the failed panopticon in the context of the NHS discusses the forms of and reasons for nurses' resistance to the computerised systems used to monitor their nursing work, and the relation between the resistance and nursing culture. The case study shows that the systems used in hospitals have surveillance capability and audit functionality, although they are not designed for surveillance purposes. The findings demonstrate that resistance to surveillance-capable systems does exist, and is more significant to criticise the systems rather than to refuse to use them. The writer describes this phenomenon as "resistive compliance".

On the other hand, recent poststructuralist studies stress the precarious nature of subjectivity and identity as key to examining resistance and consent as entangled and co-implicated rather than mutually distinctive (Thompson and O'Doherty, 2009). With this tradition, identity is a more pluralistic, dynamic, complex and contradictory concept, which is continuously being crafted in interactions with social-linguistic and institutionalised patterns of being and knowing (Collison, 2003). Similarly, Ybema et al. (2009, p.37) suggest that the self-other dynamic of identity construction refracts "the agency-structure dialectic in action, for it shows in plain words how selves and sociality are mutually implicated and mutually co-constructed".

Therefore, employees are not passive recipients of management discourses, and subjectivity is not produced by disciplinary discourse alone. Rather, employees actively engage in building their identities and are able to utilise the tension between different subject positions to resist management (Thomas and Davies, 2005), so that the subject "is not hailed in a passive sense" (Benwell and Stokoe, 2006, p.32) by disciplinary mechanisms. Employees are able to reflexively resist, renegotiate and re-craft themselves and others in some situations. The appropriate individual is produced within the processes of identity struggle, which refers to "a dynamic and ongoing interaction between managerial-inspired discourses and personal and collective identities (Thomas and Davies, 2011, p.156). From this perspective, some researchers suggest that identity can be viewed not only as a target of control but also as a source of resistance within employment relations (Kondo, 1990; Thomas and Davies, 2005a; Thomas et al., 2004).

Thompson and O'Doherty (2009) suggest that self-disciplinary power derived from management practices, particularly HRM and corporate culture, remains to some extent provisional and incomplete, which may cause unpredictable and contradictory influences on the stabilisation and conformity of an individual's sense of self. For instance, Knights and McCabe's (2000) case study in MultiBank shows that management power is never exhaustive, in part because of the impossibility of discursively completed or fixed subjectivity. For Knights and McCabe (1997, 1998a, 198b, 2000), since an overall unity is absent within management practices, employees can have more space to interpret situations differently and to secure alternative identities according to their own significance and self-worth. Such alternative interpretations of management directives can be seen as a possible resistance to the transformation of employees' subjectivity in accordance with the corporation's demands (Knights and McCabe, 2000).

Since not all employees identify themselves with the organisation, some scholars conceptualise employees' opposition to the identity prescribed and desired by organisations as a "dis-identification" (Kondo, 1990; Thomas and Davies, 2011). Employees may be cynical about the engineered culture when they dis-identify with it. It can be inferred from many studies on organisational culture that employees may disbelieve in the promoted organisational culture and are rather suspicious about managerial exhortations (e.g., Kunda, 1992; Collinson, 1992; Casey, 1995). For example, research investigating service organisations shows that some employees are compliant to culture initiatives only behaviourally, which means that rather than actually internalising the customer service culture and identifying with the organisation, those employees cooperate with it only in a superficial manner (Hochschild, 1983; Sturdy, 1998). Specifically, Sturdy (1998) suggests that employees may respond to organisational culture by "smiling but not meaning it", which refers to a surface act.

Fleming and Spicer (2002) argue that cynicism can be used as a form of transgression by workers who attempt to thwart cultural colonisation of their identities. Within managerialist literature cynicism is frequently viewed as a form of "psychological defect" that needs to be "corrected" (Fleming and Spicer, 2003). For instance, Dean et al. (1998) define

organisational cynicism as a negative attitude consisting of beliefs, affect and behavioural tendencies toward the organisation, which potentially impedes outcomes of organisational initiatives including cultural programmes, teamworking, employee involvement and participation and other “soft” policies of human resource management (Fleming and Spicer, 2003). As Dean et al. (1998, p.350) conclude, “research on cynicism should help us to better understand a phenomenon that is pervasive in modern organisations, and perhaps to find better ways to manage or prevent it”.

By contrast, scholars who see cynicism as a “defence mechanism” of employees attempting to distance themselves from the corporate colonisation of identities incline to a radical humanist camp (Fleming and Spicer, 2003). For example, Kunda (1992) and Casey (1995) claim that cynicism is a way of protecting workers’ “backstage selves” from the encroaching culture machine, allowing them to maintain a level of inner freedom. Since workers have few opportunities for overt resistance against the control targeted at their very identities, they use cynicism, cynical detachment in particular, as an alternative strategy to escape the logic of managerialism and to resist the psychological “siege and assault” of the culture. As Casey (1995, p.175) notes, “cynicism protects against both commitment to the company... and its further encroachment into the private realm of (relative) individual choice and apparent self-determination”. However, this perspective implies that the protection of the nature and constitution of identity is considered “as if it is outside of power” (Fleming and Spicer, 2003, p.160), so it tends to be based on an implicit humanism.

Fleming and Spicer (2003) then discuss the third and increasingly dominant interpretation of cynicism, as “a potentially conservative force” in relation to power, subjectivity and resistance. This perspective interprets cynicism as an ideological phenomenon that reproduces power relations unobtrusively, because cynical employees nevertheless perform corporate rituals even when they have an impression of being autonomous agents (Fleming and Spicer, 2003). Drawing on Žižek (1989, p.32) who believes that “cynical distance is just one way to blind ourselves to the structuring power of ideological fantasy, even if we do not take things seriously, even if we keep an ironical distance, we are still doing it”, Fleming and Spicer (2003) suggest that even if people dis-identify with their prescribed social roles, they often conduct them anyway.

Sometimes, people's dis-identification with these social roles even leads to a better result compared to those who identify with them. From this perspective, cynicism is viewed as a conservative force that reproduces and reinforces power relations rather than a disruptive force that agitates them. By considering cynicism as an ideological phenomenon, Fleming and Spicer (2003) identify that culture power may work not only through identification, but also through dis-identification. This argument is quite similar to an early evaluation that resistance and opposition may reinforce the dominant structure that is the object workers intend to resist. For example, Burawoy (1979) explores how workers use "making-out" games to resist the piecework bonus system in order to express their grievances, specifically through restricting output and goldbricking. However, the games of subversion actually adjust workers' ideological response to their lack of privilege. Therefore, ironically, as a particular form of resistance the games of subversion contribute to maintain the domination, because through these activities more significant and effective strategies of opposition are undermined (Burawoy, 1979).

Nevertheless, the interrelations of management and labour are dynamic and complicated, so that it is unrealistic to consider worker resistance solely as reaction to management (Cohen, 1987). Work relations involve not only conflict but also adaptation and accommodation (Edwards, 1986). The specific workplace environment, the attitudes and values held by actors, and the wider contextual setting have profound implications for forming adaptation and accommodation. In order to reveal the reality of workplace relations, some researchers suggest moving beyond the assumption that interests of management and labour are purely and solely opposed (Cressey and MacInnes, 1980; Delbridge, 1995).

This inherent duality in the relationships between capital and labour, in which capitalists require cooperation from workers to do business effectively and workers attempt to survive in the firms they work in, is identified by Cressey and MacInnes (1980). From this point of view, neither coercive control applied by capital nor resistance exercised by workers should be taken as given at any time (Delbridge, 1995). For instance, Delbridge (1995) stresses that the increased visibility of actions and the strict disciplinary measures under JIT/TQM do cause marginalisation and fragmentation of resistance, for it is difficult for workers to "beat

the system”. Therefore, workers attempt to survive the system rather than resist their exploitation. However, Delbridge (1995) also acknowledges the possibility of workers’ resistance and misbehaviour under JIT/TQM, because some workers do not accept organisational goals or identify with the organisation. Opposing actions may present in terms of workers engaging in symbolic distancing, refusing to participate in discretionary activities, and avoiding working overtime unless they seek to survive the system and want to earn more money. Therefore, as Edwards (1986) advocates, workplace relations should be assessed in real conditions rather than assumed theoretically. In this situation, detailed ethnographic research offers a valuable way to understand the complexities and dynamics of workplace relations by investigating both employers and worker

CHAPTER THREE

LITERATURE REVIEW: CONTROL IN FRONT-LINE SERVICE WORK

The previous chapter reviews control studies in both mainstream studies and critical studies. Specific attention is paid on a critical perspective on management control in contemporary workplace in general. This chapter narrows the focus on the control studies conducted in the setting of front-line service work. There are sections in this chapter. The first section provides an overview of features of front-line service work as a fundamental knowledge for understanding control in such setting. The second section discusses several critical approaches to service work. It critically reviews the McDonaldisation thesis and the cult(ure) of the customer by elaborating the merits and limits for these two approaches. Then the concept of Customer-Oriented Bureaucracy (COB) is considered as a better model for analysing control in front-line service work. The third section interprets several forms of control in front-line service work and discusses the contradictions in the operation of different forms of control. The fourth section focuses on the triangle relationship between management, worker and customer that expand the knowledge on traditional employment relationship which is bilateral management-work relationship. As another significant feature of front-line service work, service worker conduct emotional labour. The fifth section then discusses ways that workers emotions are managed. The sixth section pays attention to management control in a specific type of work – sales work. Then the context of China's insurance industry is introduced as a background study. The final section of this chapter describes main research gaps and proposes research questions.

3.1 Introduction to Service Work

Together with the primary agricultural sector and secondary manufacturing sector, since the middle of the twentieth century service work has become an important tertiary sector in advanced societies (Fisher, 1935; Clark, 1940; Fourastie, 1949). However, until the 1990s, studies on service work were largely marginalised in the sociology of work. Korczynski (2004) concludes three key reasons for that neglect. First, sociologists of work were interested in organised class conflicts and factors that inform and/or impede the articulation

of these conflicts. Strikes and union membership were viewed as the main manifestations of organised class conflict, and therefore, studies on industrial relations tended to focus on manual and manufacturing industries where strikes and unionisation are more significant than in service industries. Secondly, the domination of sociology by males led to an implicit marginalisation of women's work, and service work is largely done by women. Korczynski (2004) notes that as more women have entered the sociologist profession, this marginalisation has gradually been reversed. The third reason for the neglect of service work was pragmatism. Researchers tended to undertake their studies in manufacturing workplaces, because these were much bigger than service workplaces, and therefore more conducive to generalising research findings.

Today, paid employment is dominated by service jobs. According to recent estimates, in 2009, 81 percent of UK employees worked in the service sector, and 16 percent of those employees were located in the banking, finance and insurance industry (Hampson and Junor, 2010). Researchers in various disciplines have shown increasing interest in the burgeoning service work. For instance, Korczynski (2009) looks into articles published in *Work, Employment and Society*, the leading journal in the sociology of work in the UK. He distinguishes two time periods and shows that in the first (1987-1991) the ratio between articles on manufacturing or manual work and articles on service work was 3.4:1. By contrast, in the second period (2004-2008), the ratio had changed to 2.5:1 in favour of studies of service work. Therefore, Korczynski concludes that "studies of service work have now become the empirical mainstream in the sociology of work" (2009, p.952).

Service work has distinct features compared to agricultural and manufacturing work. Korczynski (2002) identifies five key features of service work: intangibility, perishability, variability, simultaneous production and consumption, and inseparability. First, products created in manufacturing work are tangible objects that, as Herzenberg et al. describe, "can drop on your feet" (1998, p.22). By contrast, service work produces intangible elements involving "how the service recipient perceives the service" (Korczynski, 2002, p.5), so the quality of service can be seen as the invisible but sensible product for the customer. As Zemke and Schaaf point out, the product of service work is "something more slippery to measure than physical dimensions of a product" (1989, p.14). Secondly, service work is

temporally specific and cannot be produced and stored in advance (Herzenberg et al., 1998). The perishability of service work implies that it is produced primarily during the customer encounter. Thirdly, customers may perceive the service differently depending on their individual personality and experience. Since the interaction between customers and service workers may be different in each case, there is greater scope for variability within service work (Korczynski, 2002). Next, different from the manufacturing context where there is a clear separation between production and consumption, customers consume while workers produce services for them. Thus, the activities of production and consumption emerge simultaneously. Finally, because customers are involved in the service process, they cannot be separated from it. Therefore, customers are seen by some researchers as “co-producers” in the service work (e.g., Lachmann, 2000; Schneider and Bowen, 1995).

The features described above provide a foundation to understand the nature of employment and management in service as a whole, because they stress the common factors across all service jobs. However, most research focuses on particular service occupations, for example, call centres (e.g., Callaghan and Thompson, 2002; Frenkel et al., 1999; Jenkins et al., 2010; Taylor, 1998; Taylor and Bain, 1999), hotels and leisure (Bryman, 1999; Van Mannen, 1991), retail (Gamble, 2007, 2009; Hanser, 2007), fast food (Leidner, 1993); health care (Bolton, 2003, 2004, 2005; Cooke, 2006; Wharton, 1993), and insurance sales (Chan, 2012; Knights and Morgan, 1990; Leidner, 1993). Most of these studies focus on front-line service work, or what North American scholars term “interactive service work”. Unlike back-office or back-house work, front-line service jobs involve direct contact or interaction with service recipients – customers and clients (Bélanger and Edwards, 2013; Korczynski, 2004; Korczynski and Macdonald, 2009).

In order to examine particular characteristics of different service occupations, it is necessary to give an account of specific types of service work. A group of scholars (Fitzgerald et al., 1991; Lashley, 1997; Leidner, 1993; Miller, 1986) attempt to identify types of service work in relation to the nature of employment (Korczynski, 2002). Although those researchers use different terms for different types of service work, they share a basic principle of taking one or more feature of service work against which to distinguish different types of service jobs.

Drawing from the dimensions of inseparability and variability, Miller (1986, p.27-30) suggests that there are three types of service organisations, namely “maintenance-interactive”, “task-interactive”, and “personal-interactive” service organisations. Within the maintenance-interactive type, workers dispense the service but are “not so much involved with the production of the service” (Miller, 1986, p.27). The examples given include fast food restaurants, retail, and banks. For the task-interactive type, service providers are both dispensers and producers of the service. Finally, in personal-interactive service work, the service provided is entirely produced by workers in the service interaction, for example in health care work and psychological therapy (Miller, 1986).

Fitzgerald et al. (1991) identify six dimensions of service work: “customer contact time”, “extent of customisation”, “extent to which the employee exercises discretion in meeting customer needs”, “degree of focus on people or equipment”, “source of value added – front or back office”, and “extent to which focus is on separate product or service process” (cited by Korczynski, 2002, p.10). Fitzgerald et al. (1991) suggest a threefold typology consisting of “mass services”, “service shops” and “professional services” based on the particular degree and focus of each dimension in each service. For instance, in mass service work there is relatively short customer contact time, low degree of customisation and workers’ discretion, and a main focus on equipment, the back office and the product. By contrast, professional services focus on people, the front office and the service process, and involve long customer contact time, and high degree of customisation and discretion (Fitzgerald et al., 1991; Korczynski, 2002).

Leidner (1993) distinguishes three types of “interactive service work” depending on the degree of inseparability between the service interaction and the product/service being sold. In the first type there is weak inseparability, for example in the work of “salespeople”, “fund-raisers”, “bill collectors” and “survey interviewers”, where workers’ abilities to conduct particular interactions are crucial for success. For the second type of interactive service work, “a product exists apart from the interaction, but a particular type of experience is an important part of the service” (Leidner, 1993, p.26). For example, a friendly service is promised to and expected by airline passengers during their journey. The third and final type of interactive

service work comprises jobs where the service interaction is inseparable from the product/service being sold, such as in psychotherapy and teaching.

Finally, Lashley (1997) sees the “degree of standardisation/customisation” as a key dimension to plot types of service work. Service jobs are further distinguished into four types based on another set of dimensions, comprising “the degree of tangibility”, “the degree of labour intensity” and “the locus of control”, which are identified through the lens of marketing, operational management and human resource management respectively (Korczynski, 2002, p.10; Lashley, 1997). The first two types, “service factory” and “mass service”, refer to a high degree of standardisation. The service factory involves external control and a low degree of tangibility and labour intensity, but mass service has high tangibility and labour intensity where control is located internally. The third and fourth types, “service shop” and “professional service”, have high degrees of customisation. The service shop involves external control and low degree of intangibility and labour intensity, while in professional service control is internal and there is a high degree of intangibility and labour intensity (Lashley, 1997).

Korczynski (2002) suggests that although Mills, Leidner, Fitzgerald et al. and Lashley adopt different approaches to distinguish types of service work, there are overlaps among their categorisations. Korczynski (2002, p.11) summarises the similar types of service work under different labels in a table, shown here in Table 4.1:

Leidner (1993)	Mills (1986)	Fitzgerald et al. (1991)	Lashley (1997)
Service where there is weak inseparability	Maintenance- interactive service work	Mass services	Service factory
Particular type of experience is part of the product	Task-interactive service work	Service shops	Mass service/Service shop
Interaction inseparable from product	Personal- interactive service work	Professional services	Professional services

Table 4.1 Different labels for similar types of service work (Korczynski, 2002, p.11)

According to Korczynski (2002), types of service work in the first row of the table share the similar feature that the main focus is the delivery of a product, rather than the service process. The product is viewed as an important buffer between producer and customer, between production and consumption. This type is located at a lower level of the hierarchy of service work and has the least difference from manufacturing work, as in a fast food restaurant for example. Types listed in the middle row have a higher degree of intangibility and the service process is more inseparable from the product being delivered. Both front-line and back office workers are focused upon. The different labels in the bottom row all represent service work in which service interaction is inseparable from the product and service process is the main focus.

This thesis draws on features of all three types of service work to interpret the characteristics of life insurance sales work in a Chinese life insurance company. Insurance sales in China is a mixed type of service work, because the sales-oriented nature means that there is a lower degree of inseparability between service interaction and the insurance products. However, the service process is also crucial in the delivery of the products and there is a degree of intangibility in sales work associated with quality of service in the customer interactions. Finally, features of the last type of service work can also be found in the management

rhetoric that sales workers should provide a professional service to help customers with their financial planning.

This section has introduced the key features and different types of service work, and thus provides a basic reference to understand studies of management control in specific service occupations. The next section introduces three critical approaches that underpin different ways of conceptualising front-line service work and provide implications for examining how front-line workers can be controlled. Specifically, it discusses the merits and shortcomings of Ritzer's McDonaldisation thesis and du Gay's "cult(ure) of the customer", and shows why Korczynski's concept of customer-oriented bureaucracy is more appropriate to analyse the nature and control of front-line work than those two approaches.

3.2 Critical Approaches to Service Work

In the first half of the twentieth century, Taylorism and Fordism imposed an opposition between work and leisure within manufacturing workplaces (Andrew, 1999; Bell, 1976). However, from the 1970s cultural contradictions of capitalism began to emerge, with the coexistence of rationalised and disciplined production on the one hand and unconstrained and hedonistic consumption on the other (Bell, 1976). This argument remains valuable and appreciated in a number of contemporary studies. For instance, Fuat Firat and Dholakia (1998) give an account of an unequivocal contrast between rationalised production pursuing highest efficiency and maximum outcomes and more creative and unconstrained consumption. Because rationalised and increasingly fixed and predetermined production leaves limited discretion for people to be creative in their work within the public sphere, they tend to engage their creative energies in consumption in the private sphere. Similarly, Bauman (1988, 1992) argues that most people are burdened within a rigorous production work life, but such burden can be made more acceptable through the pursuit of pleasure in the sphere of consumption. For Bauman (1992, p.50), "producers moved by the pleasure principle would spell disaster to a profit-guided economy. Equally, if not more disastrous, would be consumers who are not moved by the same principle."

However, this culture contradiction has been updated within the expanding setting of service interactions where production and consumption meet. A number of scholars have been interested in understanding the coexisting rationalised sphere and unpredictable, free, but possibly manipulable sphere of consumption within service interaction (Korczynski, 2009; Korczynski and Ott, 2004). The extending service sector brings new characteristics to contemporary society, so some scholars claim that concepts and metaphors derived from the manufacturing context need to be redefined (e.g., Bauman, 1998; du Gay, 1996; du Gay and Salaman, 1992; Hochschild, 1979). For instance, Bauman (1998, p.2) claims that our society is now characterised as a “society of consumer”, because of the shift from “production” to “consumption” and “consumerism”. According to Bauman (1998), the “consumer society” is not a new concept, but can be traced back to the 1950s, albeit that it referred then to mass production and mass consumption in the Fordist context. By contrast, within the contemporary concept of “society of consumer”, work meanings that cast people’s identity are derived from an “aesthetic of consumption” and what is “currently available in shops”, rather than from production (Bauman, 1998, p.29). However, other researchers argue that the differences between manufacturing and service sectors should not be overdrawn, and many concepts derived from the manufacturing context are still valid to analyse service work (Bélanger and Edwards, 2013). This section discusses two influential themes in the analysis of service work, along with their contributions and limitations. These are Ritzer’s (1996, 1998, Ritzer and Stillman, 2001) discussion on rationalisation and du Gay’s (1996, du Gay and Salaman, 1992) discussion on consumption and identity at work. Since neither of these approaches can fully capture the nature of service work, the discussion also draws on Korczynski’s (2001, 2002) model of customer-oriented bureaucracy, which can better address the complex and contradictory aspects of service work and the implications for control.

3.2.1 Ritzer and the McDonaldisation Thesis

Ritzer’s McDonaldisation thesis (1996, 1998; Ritzer and Stillman, 2001) draws on Weber’s study on bureaucratic organisation and its logic of formal rationality. Formal rationality involves “a prioritisation of creating the most efficient means to achieve an end” (Korczynski, 2002, p.42) and this process of rationalisation is conceptualised by Ritzer in terms of McDonaldisation. Ritzer (1996) identifies four key dimensions of McDonaldisation: efficiency, calculability, predictability and control. In general, efficiency refers to finding the

best method to get things done. Calculability involves consideration on the quantitative aspect of work and products, so that “quantity has become equivalent to the quality” (Ritzer, 1996, p.9). The idea of calculability implies that efficiency can be increased only if something is measurable by an organisation. Moreover, Ritzer believes that “rationalisation involves the increasing effort to ensure predictability from one time or place to another. A rationalised society therefore emphasises such things as discipline, order, systematisation, formalisation, routine, consistency and methodical operation” (1996, p.79). Finally, although Ritzer does not provide explicit definition on the demotion of control, his work implies that one party has the ability to decide an overall process. Control from his perspective is conducted through the substitution of non-human technology, such as the assembly line, for human technology, for instance a screwdriver (Korczynski, 2002).

Although Ritzer’s thesis on McDonaldisation is not restricted to service work, it has profound implications for studies of service work. According to Ritzer, the lower end of the service sector provides a large number of jobs with little or no requirement for skills, in which McDonaldised systems contribute to producing service workers as “a mechanical nut” (Ritzer, 1996, p.139), and a “human robot” (Ritzer, 1998, p.60). In front-line service work, both actions and words of workers are controlled through scripts imposed by management to regulate the interactions with customers. Ritzer (1998, p.64) explains that “the scripting of interaction leads to new depths in the deskilling of workers. Not only have employee actions been deskilled; employees’ ability to speak and interact with customers is now being limited and controlled”. Drawing on Hochschild’s (1983) study of controlling emotional labour, Ritzer extends the emphasis on control, from employees’ actions and words towards their feelings and views about themselves.

However, Ritzer’s work on McDonaldisation has been subject to wide ranging criticism. His claim that the world is becoming a McWorld is rather ambiguous, and even his later tempered claim that McDonaldised jobs represent a “significant portion” rather than a “majority” of the labour force is viewed as exaggerated. For instance, Herzenberg et al. (1998) provide an overview of the nature of service work and identify four main types of service jobs, among them the “tightly constrained work system” (cited in Korczynski, 2002), which shares similar features with the McDonaldised jobs described by Ritzer. Herzenberg et al. (1998) find that

only 4 per cent of service jobs can be labelled as McDonaldised jobs. Therefore, the assertion of a “significant portion” of the service labour force is not accurate. Furthermore, Ritzer’s assertion that “quantity has become equivalent to quality” (1996, p.9) indicates his failure to consider the quality aspect of service work. The neglect of the importance of service quality and the significant role played by the customer means that Ritzer’s McDonaldisation thesis provides only a “one-eyed” focus on the bureaucratic logic.

To conclude, Ritzer uses the notion of McDonaldisation to conceptualise the process of rationalisation in service society. However, this McDonaldisation thesis has its defects, because it underestimates the importance of service quality and the irrational aspects of customers’ needs (Korczynski, 2002). In addition, Ritzer’s analysis mainly focuses on low status mass service employment, and cannot be applied across the spectrum of service work. The following section introduces du Gay’s (1996; du Gay and Salaman, 1992) analysis on how customers are used as a source of legitimacy within organisations, which can be seen as a complement to Ritzer’s work.

3.2.2 du Gay and The “Cult(ure) of the Customer”

Different from Ritzer, who underlines the bureaucratic logic of formal rationality, du Gay (1991, 1994, 1996a, 1996b; du Gay and Salaman, 1992; du Gay et al., 1996) claims that bureaucratic principles are increasingly being replaced by market relations, which underpin many new management developments. du Gay and Salaman (1992) highlight relations with customers, and the “sovereign customer” becomes a central logic that can be found in and supports a wide range of organisational practices, including total quality management, just-in-time, and cultural building programmes. It should be noted that the customer plays an important role not only in service sectors, but also in manufacturing settings, because du Gay and Salaman (1992) suggest an internal customer relations in which colleagues in different departments become each other’s customers.

In line with environmental developments such as “increased competition from foreign industry, a more quality-conscious consumer population, rapidly changing product markets, deregulations and new technologies” (Fuller and Smith, 1991, p.1), demands for goods and services become increasingly fragmented and differentiated. du Gay and Salaman (1992) suggest that in order to gain competitiveness under environmental pressures, organisations tend to reconstruct work around an “enterprise culture”. Particular attention is paid to meeting customers’ various needs and providing satisfactory quality of goods and services. du Gay and Salaman (1992) highlight the “cult(ure) of the customer” and suggest that the customer is increasingly used by work organisations as a source of legitimacy, and offers a new way to cast people’s identity at work (Urry, 1990).

In addition, the notion of enterprise is proposed by du Gay (1994, 1996a) as a solution to dysfunctional bureaucratic principles that is closely linked to the ideology of the “sovereign customer”. Besides the commercial enterprise, the notion of enterprise also refers to “the habits of action that display or express “enterprising qualities on the part of those concerned”, whether they be individuals or collectives” (du Gay, 1996a, p.155). Therefore, du Gay (1996a, p.155) defines “enterprise” as “a plethora of characteristics such as initiative, risk-taking, self-reliance, and the ability to accept responsibility for oneself and one’s actions”. An “enterprise culture” promotes certain enterprising qualities which are viewed and promoted

as human virtues in order to gain particular organisational goals (du Gay and Salaman, 1992; du Gay, 1996b). Drawing on Foucault's work, du Gay and Salaman (1992) suggest that this discourse of enterprise can be identified with a wide variety of new management discourses and operates as a disciplinary practice merging "technologies of power and technologies of the self" (Foucault, 1988a) to produce subjects as enterprising selves; this is especially true of the discourse of excellence and culture management (e.g., Peters and Waterman, 1982; Peters, 1987).

Within service sectors, service workers are required to become enterprising selves in order to meet customers' desires; in turn customers are also seen as enterprising, a view underpinned by the concept of consumer sovereignty (du Gay and Salaman, 1992). According to du Gay and Salaman (1992), under a dominant ideology of enterprise, both the employee and the sovereign consumer pursue "added value" in every sphere of existence through the search for meaning and fulfilment. Therefore, based on the enterprising self, customer and worker influence and resemble each other's identities, so that there has been a breakdown in traditional bureaucratic ways of organising.

In conclusion, du Gay's analysis of enterprising self and the cult(ure) of customer suggests that management tends to justify its actions according to the requirements of the sovereign consumer, and the restructuring of work is viewed as a means to deliver quality service to satisfy customers' needs. Therefore, individuals' identities are constructed around the ideology of the sovereign consumer rather than their roles within organisations, so that bureaucratic principles are replaced by market relations with the organisation and wider external environment.

However, du Gay's concept of the enterprising self is criticised for the lack of empirical underpinning. His study in the UK retail sector cannot provide a convincing argument on how identities of customers and workers are colonised by the enterprising self, because of the small sample (du Gay, 1996b; Korczynski, 2002). Moreover, although du Gay (1996b) suggests the identity formed around the enterprising self is derived from both consumption and production, there is little concern about how the experiences of consumption, and

customers, actually construct identities of customers and workers (Korczynski, 2002). Another influential critique of du Gay's analysis refers to his dualistic division between enterprise and bureaucracy (Fournier and Grey, 1999). It is problematic to suggest that bureaucracy is replaced by market relations, because the continuing price competition still drives both service and manufacturing organisations to pursue efficiency and quantity of work, which means the rationalising imperative is still present (Korczynski, 2002).

There is no doubt that both Ritzer's and du Gay's works have meaningful implications for studying management control in service sectors, but the limitations and critiques of their works demonstrate that neither approach provides sufficient theoretical underpinning to conceptualise management control in relation to the nature of front-line service work. Given these limitations, in the next section attention is turned to Korczynski's (2001, 2002) concept of customer-oriented bureaucracy and its advantages in analysing management practices and control in contemporary service work.

3.2.3 Customer-oriented Bureaucracy (COB)

Some researchers claim that a notion of "authoritative customer" (Abercrombie, 1991; Miller, 1995; du Gay, 1996) represents the nature of the customer in front-line service work. However, this idea has been challenged, because it fails to capture adequately the complex and contradictory aspects of front-line service work (Korczynski, 2002). Based on a neo-Weberian approach, Korczynski (2001, 2002) proposes a model of customer-oriented bureaucracy (COB), attempting to address the complex and contradictory aspects in managing front-line service work. According to Korczynski (2001, 2002, 2003a, 2003b, 2004, 2005, 2007) the COB can be viewed as an ideal type of service organisation which captures the nature and fundamental characteristics of service work. It should be noted that service organisations rarely display all features of COB in real contexts, because as an ideal type of front-line work it is promoted as a heuristic device to further analysis of front-line service work in theory rather than in practice.

Korczynski suggests that there is a dual logic embedded in the COB, which accepts bureaucratisation based on “formal economic” rationalisation as an inevitable and dominant process while acknowledging the elevated “myth of customer sovereignty” as a crucial dimension added into the predominant and continuing substantive value of rationalisation. Korczynski (2002, p.64) defines that:

“This concept of the customer-oriented bureaucracy captures the requirement for the organisation to be both formally rational, to respond to competitive pressures to appeal to customers’ wishes for efficiency, and to be formally irrational, to enchant, responding to the customers’ desire for pleasure, particularly through the perpetuation of the enchanting myth of customer sovereignty”.

It can be drawn from the COB approach that there is essential tension and contradiction between dual imperatives in the management of front-line service work: workers are not only required to deliver service efficiently, but must also deliver it with high-quality. The dual focus and the tension and contradiction emerging from it can be found in diverse dimensions of work organisation in the COB, including labour process, basis of division of labour, basis of authority, form of control, affect and flexibility (Korczynski, 2002, 2007).

Some researchers suggest that the dual focuses of quantity and quality in service labour processes broaden the fundamental contradiction of work (Knights and McCabe, 1997; Knights et al., 1999). It has been discussed in labour process literature that workers own nothing but their labour power, so workers are alienated from their work. Moreover, because managers hire only the potential to labour rather than the actual labour within the employment relationship, there is a necessary indeterminacy in the translation of labour power into actual labour (Braverman, 1974; Marx, 1976; Thompson, 1989). In order to coax workers to provide high-quality service, the alienation between workers and service being delivered is concealed by management’s claim that workers can take ownership of customer interactions (Frenkel et al., 1999). Korczynski (2002) argues that such ownership is an “artifice” that can collapse when high productivity is also stressed by management. The model of COB captures the fundamental contradiction in terms of the dual focuses of quantity

and quality, and furthers the analysis of contradictions in other dimensions of work organisation.

Because division of labour is based on the target of completing tasks efficiently in a bureaucracy, it potentially satisfies management's desire for efficiency in front-line service work. However, if customers are treated as products passing through an "assembly line journey" under the logic of bureaucratic division of labour, the necessary enchanting myth of customer sovereignty cannot be achieved. In order to improve service quality and accommodate the formally irrational aspects of the customer, management attempts to preserve the enchanting myth of sovereignty through a division of labour aimed at maintaining the customer relationship (Korczynski, 2002, 2007). Gutek (1995) suggests that the contradictory approaches of division of labour show a distinction between customer "encounter" and "relationship". When the division of labour is based more on bureaucratic principles, front-line workers' interaction with customers is completed in the service encounter. By contrast, the customer relationship is likely to be built and maintained when front-line workers and their customers expect continued interactions after they get to know each other in a particular transaction (Korczynski, 2007).

In addition, in a bureaucracy the basis of authority is rational-legal authority, which derives from formal rules and procedures formalised and legitimated by rationality. In COB, the customer is viewed as another source of authority. It has been claimed that there are "two bosses" in many service settings, because of the dual bases of authority (Mars et al., 1979; Shamir, 1980). In manufacturing settings, these dual bases of authority can be found in total quality management (TQM), in which management prioritises the quality of production. Management defines this quality, at least rhetorically, as "conformance to the requirements of the customer" (Legge, 1995, p.219).

Control in a bureaucracy is based primarily on hierarchically imposed standardised procedures and formal rules in order to ensure measurable outputs and obtain desired behaviours (Edwards, 1979; Ouchi, 1979). However, in order to satisfy the formally irrational side of customers, front-line workers may have to act otherwise than according to

predesigned procedures (Ritzer, 1999a). Furthermore, the presence of a supervisor in customer-worker interactions may also harm customer satisfaction. Hence, while the enchanting myth of customer sovereignty is a very important part of service interaction, it is vulnerable in bureaucratic procedures and appearances of direct monitoring (Korczynski, 2002). Therefore, both bureaucratic forms of control and direct control are problematic in front-line service work. The COB suggestion that control based on customer-related norms should be considered as a supplement to traditional bureaucratic and direct control will be further discussed in a later section.

Furthermore, front-line workers are usually required to display particular emotions during work, but emotional expression is normally viewed as irrational, and therefore should be limited within bureaucracy. However, in the model of COB, rationalised emotional labour replaces an impersonal bureaucratic code as a key element required by management in the delivery of services. Management encourage employees to express positive emotions, especially empathy with customers, in order to make customers consume the enchanting myth of sovereignty easily (Korczynski, 2002).

Finally, a bureaucracy mainly focuses on establishing and maintaining internal stability to achieve maximum efficiency. In the COB model, by contrast, there is an additional emphasis on the external environment of the customer. This is sometimes unpredictable, because customers have diverse desires. Gabriel and Lang (1995) understand unpredictability as the “unmanageable” aspect of the customer. Therefore, service organisations should operate more flexibly to cope with the unpredictability and variability of customers. In the model of COB, management seeks simultaneously to reduce the uncertainty by using a wide range of methods to analyse and predict the pattern of fluctuations in customer demands (Cleveland and Mayben, 1997; Zeithaml and Bitner, 1996) and to cope with uncertainty by promoting numerical flexibility and functional flexibility (O’Reilly, 1994).

In summary, there are two main developments of COB compared to traditional bureaucracy. First, in front-line service work, there are simultaneous needs to cut cost and to improve service quality (Zeithaml and Bitner, 1996). Therefore, organisations in front-line service

work have dual focuses on increasing efficiency and competitive advantage on price on the one hand, and improving service quality around customer-oriented norms on the other (Korczynski, 2002; 2007). Second, in COB there are dual bases of authority; in addition to the rational-legal type, customers are viewed as a driving resource of authority (Korczynski, 2002, 2007). In addition, the COB approach rejects postmodernist arguments that consumption predominates in the formation of social relations and self-identity (du Gay and Salaman, 1992), because it is unable to capture a bureaucratic continuity from product-centred periods. Korczynski et al. (2000) suggest that the myth of customer sovereignty is rather “one-eyed”.

3.3 Forms of Control in Front-line Service Work

This section deals mainly with studies of management control in front-line service work. Drawing on the COB model, it explores how a variety of controls with contradictory logic can coexist in front-line work. It begins by examining the problematic aspects of direct and bureaucratic control, and discusses why these traditional forms still play an important role in controlling front-line workers. Then, it looks at a variety of more unobtrusive forms of control driven by customer-oriented values and norms, and discusses the interface with traditional forms of control.

3.3.1 Traditional Forms of Control in Front-line Service Work

It has been widely accepted that traditional forms of control, such as direct and bureaucratic control, may be problematic in the front-line service workplace, because of the involvement of non-employees – customers and clients – in the service labour process. Based on the nature of front-line service work, Korczynski (2002, p.123) distinguishes three main problems of controlling front-line service workers: “the problem of variability, the problem of observability and the problem of output measurement”.

First, individual customers have variable and diverse needs. Fuller and Smith (1991) suggest that quality of service can be improved if employees can “tailor” specific surveillance to meet

customers' idiosyncratic and changeable needs. Although management can guide and manipulate customers' behaviour to some extent, for example through advertisements, the perpetuating myth of sovereignty promoted by management inevitably leads to an incomplete control over customers in customer interactions. When customers consume the myth of sovereignty, it is possible for them to go beyond the routines imposed upon them by management. As Benson (1986) notes, routinisation can be enduringly resisted and eroded when sales people tend to satisfy individual customers' needs, so that it is difficult for managers to control the customer-salesperson interactions. Herzenberg et al. (1998) suggest that the engineering approach, in which tasks and jobs are pre-designed by management, is less appreciated in the context of front-line service work, because of the variability of individual customers. Accordingly, it can be difficult to assess front-line workers' performance using pre-designed standards, routines and rules, and this becomes problematic when management depend solely on bureaucratic control.

Moreover, control through direct monitoring is problematic, because in order to preserve the enchanting myth of sovereignty, and hence customer satisfaction, no supervisor is physically present in service interactions. In some situations, supervisors may have audio information related to the service interaction, but the service labour processes of several workers caught by the audio information are difficult to observe by one supervisor simultaneously (Korczynski, 2002).

The output of some front-line work involves the intangible aspect of customers' perception of the interaction with front-line workers. This intangible aspect makes it difficult to measure the output of front-line work unambiguously. Although some researchers suggest that customer feedback can be used as a means to control service workers (e.g., Fuller and Smith, 1991), it is difficult to link this information directly to front-line workers' performance (Korczynski, 2002). Rather, customer feedback is frequently used as a form of normative control that functions through its potential panopticon effect. Thus, the traditional forms of control targeted at output are problematic in the context of front-line service work. However, it should be noted that the output measurement is not a problem for extreme forms of sales work, because sales outputs can be measured unambiguously. Therefore, salespeople are

controlled primarily through a commission system in which output measurement is tied to payment. This will be discussed in Section 4.6.

Although there are problematic aspects to traditional forms of control, bureaucratic and direct controls are not entirely abandoned or supplanted, owing to management's dual requirements for both quantity and quality of work. Specifically, in mass service work where semi- and/or unskilled workers have limited discretion and creativity on content and procedure of their working processes, management is more likely to break down operations of service into minute and discrete tasks (Nickson et al., 2001). In that case, front-line workers can follow routinised, standardised and simple scripts in each service encounter, especially in fast food outlets (Leidner, 1993; Ritzer, 1996). In addition, since most front-line service work involves emotional display, management also tends to impose standardised verbal or aesthetic recipes to guide workers' emotional displays and appearances (Hochschild, 1983). This relates to the rationalised aspect of seeking more intensive utilisation of emotional labour, which will be examined in Section 4.5, along with the normative aspects of invoking front-line workers' emotional labour.

Even some front-line service work in which employees have greater autonomy and discretion provides routinised and standardised scripts on ways of conducting service. For instance, Leidner (1991, 1993) examines how insurance companies provide detailed procedures for salespeople, including "how to stand while waiting for a door to be opened, how to position themselves and the potential customers (known as "prospects"), when to make and break eye contact, how to deliver the Standard Joke, and so on".

Regarding the problematic aspects of traditional forms of control, Korczynski (2002) suggests alternative, but nevertheless still bureaucratic, solutions. These mainly involve improving managerial knowledge and measurement of the front-line service process. Management tends to find alternative sources of information about the service work process, where direct observation is not easily conducted. For example, service organisations may hire mystery shoppers, who can assess attitudes and behaviours of front-line workers and report to management (Fuller and Smith, 1991; Korczynski, 2009; Warhurst et al., 2009). Furthermore,

information technology can be used to monitor and provide information about activities of front-line workers, especially when a supervisor is physically absent and the service work involves extensive use of information technology (Ball and Wilson, 2000). An explicit example is the electronic surveillance in call centres, which not only improves the method of collecting information for measurement, but also potentially operates normalising and self-disciplining effects on employees (Baldry et al., 1998; Knights and McCabe, 1997). However, call centres and other forms of front-line service work rarely rely on “hard” bureaucratic and quantitative measures and rules alone; rather, very many writers have identified the importance of “soft” qualitative measures driven by customer-oriented norms (e.g., Belt et al., 1999; Callaghan and Thompson, 2000; Knights et al., 1999; Taylor and Tyler, 2000). In the next section, controls through the development of customer-oriented norms and values are examined in detail.

3.3.2 Normative Control in Front-line Service Work

In order to better cope with the variability of customers and satisfy their diverse expectations, management also tend to use normative controls to encourage front-line workers to deliver customer-oriented behaviours (Casey, 1999; Korczynski, 2001, 2002; Ogbonna, 2011; Rosenthal, 2004; Sturdy, 1998, 2001). Since it is difficult to develop standard procedures for customer-oriented behaviours, and the process of these behaviours is not easily observed by management, the use and development of customer-related values and norms becomes increasingly important for service organisations to guide and empower front-line workers (Hodgson, 2001; Lashley, 1997; Leverment, et al., 1998; Sturdy, 2001).

It has been suggested by many scholars that the customer has been increasingly used as a source of legitimacy within organisations (e.g., du Gay and Salaman, 1992; Peters and Waterman, 1982). Some of these scholars believe that the customer can be seen as a crucial element of control over service quality, primarily through customer feedback or surveys (Darr, 2006; Fuller and Smith, 1991; Rosenthal et al., 2001), or through mystery shoppers (Fuller and Smith, 1991; Van Maanen, 1991; Leidner, 1993; Rothman, 1998; Korczynski, 2002). A culture of service excellence suggests that customers, workers and managers could benefit equally, so it creates a situation of “win-win-win”. On the other hand, demands for the

provision of rapid and efficient service place great pressures on front-line service workers (Hochschild, 1983; Macdonald and Sirriani, 1996; Taylor and Bain, 1999). The legitimacy of customers is promoted and heightened by management seeking to increase workers' self-management, since the work processes of front-line service workers are difficult to regulate externally. Nevertheless, some research suggests that the external bureaucratic controls tend to be reduced rather than totally abolished (Rosenthal, et al., 1997).

In addition, in order to meet service quality, attention has been turned to the attitudes and orientations of employees. Quality management literature usually focuses on employees' internalising of quality norms through the development of organisational culture associated with service quality. The human resource management literature suggests that in place of control and standardisation, managers seek to develop specific policies that could increase employees' commitment, motivation and flexibility (Rosenthal et al., 1997).

First, the use of customer-related values and norms is prominent in recruitment criteria for front-line work (Knights and Morgan, 1990; Korczynski, 2002; Leidner, 1993; Stanback, 1990). For instance, Stanback (1990) states that appropriate customer-related personality and values become primary criteria for recruiting front-line service workers. Since a culture of the consumer is pervasive in the so-called "consumer capitalism" and "service society", people's consciousness becomes increasingly informed by the image of consumption (Ritzer, 1999a). This potentially facilitates service workers to identify themselves as customers and develop customer empathy, two key aspects of customer-related norms. Therefore, service organisations tend to set recruitment criteria related to values driven by consumption and prefer to recruit candidates who embrace the values of customer empathy and customer identification. For instance, Korczynski et al. (2000, p.675) discuss the importance of recruiting people who have "a positive, service-driven attitude" or an "attitude to want to service customers", because those self-images, motives and traits "tend to be more difficult to develop or train".

In addition to the use of customer-related values and norms in recruitment, service organisations also tend to develop these values and norms via socialisation, training

programmes and performance appraisals. It can be seen from Lashley's (1997) investigation in Marriott Hotels that a sense of customer empathy can be developed by service workers through training programmes, particularly through role plays, where the worker takes the role of the customer. By participating in role plays, service workers are not only trained to think from the customer's point of view, but are also actively involved in the creation of such customer-related value, typically through the discussion of their own experiences as customers, which in turn reinforces the desired effect (Callaghan and Thompson, 2001; Korczynski, 2002; Leidner, 1993). This is because, if service workers have a sense of actively participating in the development of the service culture as active agents, they are more likely to accept and identify with values and norms implied by such service culture. As a supervisor of call centres said in an interview conducted in Korczynski et al.'s (2000, p.676) study, "if the staff see it [the slogan] coming from them [fellow workers], they'll love it. If it comes from us they'll be suspicious".

Another important issue implied in the analysis of control in front-line service work is empowerment. The recognition of customer-related norms and the attempt to cope with the variability of customers both imply the necessity of empowering front-line workers (Herzenberg et al., 1998; Hodgson, 2001; Offe, 1985).

Drawing on Marchington and Wilkinson's (2000) study, Korczynski (2002, p.133) defines teamworking and self-management as one concept, incorporating "responsibility for a complete task; working without direct supervision; discretion over work methods and time; encouragement for team members to organise and multi-skill; and influence over recruitment to the team". There is limited research on teamwork in the context of front-line service work associated with this definition of teamworking and self-management (e.g., Foster and Hoggett, 1999; Lashley, 1997; Leverment, et al., 1998; Mathews, 1994).

Lashley's (1997) description of the development of "autonomous work teams" in a UK restaurant chain suggests that teams are empowered beyond the task level, and staff in teams participate in a wider range of decision-making regarding the particular responsibility their

team undertakes. In some situations, those teams are even responsible for selecting and recruiting new team members.

Mathew (1994) compares the idea of “one-stop shop” underlying the teamwork in an Australian insurance company with the cellular approach to teamwork in manufacturing settings, where workers work around the products in a coordinated and interdependent way. He suggests that in the insurance company setting, a number of specialists are clustered by defined segment of the market in a team aiming to provide an integrated insurance service to a group of clients. He also predicts that this kind of teamwork and self-management could sweep through the service sector and potentially eliminate the fragmented work organisation promoted by Fordism.

Foster and Hoggett (1999) also apply the concept of “one-stop” to discuss multi-disciplinary teamwork. They conducted their research in a civil service organisation, investigating how the Benefits Agency within a district of the UK was being reformed through changes towards management decentralisation, pay by performance, teamwork philosophies and encouragement of a customer culture, driven by the new public management. In relation to teamwork, Foster and Hoggett (1999) argue that the concept of “one-stop” presupposes the shift from a specialised approach towards an integrated teamwork approach. Within such teamwork, employees are multi-skilled and are able to share specialist knowledge with each other in order to meet external customer needs. Therefore, this multi-disciplinary teamworking inspires co-operation between team members, who are theoretically “empowered” and “encouraged to work with greater autonomy” (Foster and Hoggett, 1999, p.26).

Similarly, Leverment et al. (1998) recognise the restructuring around multi-disciplinary teams in the NHS as a consequence of the business process re-engineering programme. Health professionals in these teams certainly have greater responsibility and perform a variety of tasks, which implies an increase in empowerment, but Leverment et al. (1998) also interpret the changes in terms of intensification of work, which may lead to an increase in stress.

However, according to the critique by Frenkel et al. (1999), what managers call “teams” in many service and sales workplaces do not share the characteristics of teamworking, in that team members are frequently subject to the jurisdiction of one supervisor. In many situations, front-line workers continue to carry out individualised work within a constructed team. Although employees in teams are given significant levels of discretion and autonomy, they are also under peer scrutiny and pressures, which potentially generate a certain level of self-control (Barker, 1993; Townsend, 2005, 2007). On the other hand, the informal relationship between team members may both reduce negative feelings, such as extensive pressure, anxiety and insecurity from work, thus increasing the profitability and satisfaction of work (Bakker et al., 2006), and generate resistance through team cohesiveness (Townsend, 2005).

Furthermore, front-line workers can be both empowered and disempowered in relation to the customer (du Gay and Salaman, 1992; Korczynski, 2009; Korczynski and Evans, 2013; Korczynski and Ott, 2004; Rothman, 1998). In order to pursue customers’ satisfaction and meet their various needs, front-line service workers usually have certain autonomy, ability and power in service interactions, for example, resolving problems and providing extra services and care (Korczynski, 2002; Korczynski and Ott, 2004; Lewis, 2005). For instance, Lewis’ (2005) case study in nursing shows that nurses are clearly subject to professional norms and conventions, but in some distressing situations they tend to draw on feeling rules related to philanthropic emotion management, and provide additional service and care for clients. However, the promotion of customer sovereignty and the rising customer orientation intensify a sense of subservience and servility among front-line workers with regard to customers, which potentially disempowers those workers (Korczynski, 2002, 2003). When customers consume the rhetoric of “the customer is king” (Gamble, 2007) or “the customer is always right”, they may become abusive, which becomes a form of disempowerment of front-line workers. This also results in distress and burnout for those workers (Bakker et al., 2006; Korczynski, 2003).

To conclude, this section has discussed several key methods in relation to ensuring that front-line workers internalise customer-oriented values and norms in the pursuit of improving service quality. Some contradictory aspects within the promotion of customer-oriented culture have been stressed, in terms of the evaluation of teamworking and empowerment. In

the next section, contradictions between bureaucratic control and normative control derived from the logic of COB are examined.

3.3.3 Contradictions in the Operation of Bureaucratic Control and Normative Control

Korczynski et al. (2000) suggest that there are two levels of potential contradictions in the operation of bureaucratic control and normative control under the context of COB. First, the application of bureaucratic control through continued measurement and monitoring in workplaces implies a low-trust relationship between management and workers, while the application of normative control through the development of customer-oriented values is frequently associated with a high-trust working environment. The former type of control seeks to achieve worker compliance to command, while the latter seeks to promote and support worker commitment. The two types are contradictory, because front-line workers who commit to customer-related values and tend to deliver good customer service expect to have greater trust rather than to be monitored by management as if they were untrustworthy. For example, Fuller and Smith (1991) reveal that if hotel desk clerks find they are being monitored by mystery shoppers, they become angry and tend to withdraw commitment through “smile strike”. Moreover, Korczynski et al. (2000) report that call centre workers may perceive that they are not trusted by management when their phone conversations with customers are monitored. In summary, commitment to customer-related values is supported by high-trust, but such trust is potentially undermined by monitoring (Korczynski, 2002).

It should be noted that front-line service workers do not always experience the contradiction derived from being monitored and being asked to develop commitment to customer-related values. A fragile social order may be maintained for certain periods of time. However, when such fragile social order breaks down, due to the emergence of unpredictable customer demands or customer abuse for example, the tendency of contradiction may be exacerbated, and need justification by management.

The second level of contradiction rests within the creation of customer-related norms. Drawing from Kunda’s (1992) analysis, customer-related norms and values should not be

imposed solely from top to the bottom by management; rather workers should be active agents in the creation of these norms and values. However, management and front-line workers have different views about customers. Management wants front-line workers to identify with “a collective, disembodied concept of the customer”, because this encourages workers to serve individual customers effectively while considering others who are waiting to be served (Korczynski, 2002, p.129). On the other hand, front-line workers may incline to “identify with embodied individual customers”, because they can possibly gain work satisfaction from such interactions (Korczynski, 2002, p.129). Therefore, it has been suggested that front-line workers who identify with customers are able to accept customer-related values easily (e.g., Rosenthal et al., 1997), but whether these values can be translated into behaviours desired by management remains unclear (e.g., Peccei and Rosenthal, 2000).

Since front-line service work is legitimated by both management and customers, front-line workers may be able to resist management decisions by adopting one of these legitimated discourses. For instance, Rosenthal et al. (1997, p.281) argue that front-line workers are able to use the language of customer orientation as “resources in their struggles with managers in order to bring managers into line with workforce expectation”.

3.4 The Triangle Relationship between Management, Worker and Customer

Front-line service workers deal with a wide range of parties in their daily work, because customers are directly involved in their work process. According to Whyte (1946, p.123), the direct contact with customers adds a “new dimension to the pattern of human relations”. Therefore, it has been generally acknowledged that the traditional bilateral relationship between employer and employee has been replaced by a trilateral relationship between management, worker and customer (Bolton and Houlihan, 2005; Du Gay and Salaman, 1992; Leidner, 1993, 1999; Lopez, 2010; Korczynski, 2002; Whyte, 1948).

Leidner discusses how, in interactive service work, “the power dynamic of the workplace shifts from a tug-of-war between workers and management to a three-way contest for control between workers, management, and service recipients” (1999, p.91). Leidner’s (1993, 1996)

idea of a three-way interest alliance has become central to studies of service work and has been continually developed and extended. The notion of a three-way interest alliance suggests that interests between various stakeholders – customers, managers and co-workers – may be the same in some situations, while in others they may be in opposition (Leidner, 1993, 1996; Weatherly and Tansik, 1993).

In some situations, service workers and management may share the same interests in controlling and influencing customers. One significant example is commissioned sales work, in which workers tend to exercise power over customers and persuade them to purchase. Sales workers' interests in earning more commission correspond with management's demands on improving sales volume. In other contexts, workers and customers may join together against management. For example, in call centres, workers and customers all prefer to maximise the quality and duration of calls, while management prefers to set prior targets on the quantity of calls (Knights and McCabe, 1998b; Korczynski et al., 2000). In addition, in some settings, especially mass marketing services, management and customers are aligned against workers. This is because both customers and management are interested in maximising the speed and quality of services, while workers seek to avoid pressurised and conflicting job demands. However, in the same situation, management and workers may have shared interests in controlling and shaping customers' behaviour and demands.

Rosenthal (2004) shows how workers can use different types of control as resources to engage with and influence managers and customers. Resistance to a range of management control is acknowledged, but Rosenthal (2004) identifies that sometimes service workers resist customers in alliance with management rather than resist the labour process. Moreover, Gamble (2007) suggests that customer control based on the rhetoric of the customer can be seen as a resource for service workers against management or other service workers. Gamble's work furthers Fuller and Smith's (1991) dichotomy of management and employee by introducing and evaluating the third party – customers – within the service labour process.

Moreover, in Leidner's (1993, 1996) interpretation of situational and shifting interest alliances between management, worker and customer, more enduring patterns of power

relations and interest conflicts may be ambiguous. Korczynski's (2002, 2004, 2007) model of COB attempts to highlight and theorise the conflicting logic between efficiency and quality of service. The pursuit of efficiency potentially damages the quality of service as perceived by customers, because the division of labour under the logic of efficiency may lead customers to feel that they are passed along a "metaphorical assembly line" (Korczynski, 2007, p.578). Therefore, the irate customer can be seen as a consistent feature in the COB (Lopez, 2010).

Korczynski (2009a) further analyses broader patterns of customer-worker relations in terms of the workers' subjective sense of alienation or fulfilment perceived during interactions with customers. He identifies three dimensions of factors which affect subjective alienation in customer-worker relations, namely "the substantive emotional bearing of the worker to the customer; the relative power of the two parties, and the extent to which interactions between the same two parties are repeated" (Korczynski, 2009a, p.957). According to Korczynski (2009a), workers subjectively experience high levels of alienation vis-à-vis customers when the emotional content of the relationship is instrumental, when customers have dominant power and when the interaction between customers and workers appears in a one-off encounter. On the other hand, workers are more likely to experience worker-customer relations as fulfilling rather than alienating when there is primarily a caring and empathetic emotional bearing to the customer, when the power held by the customer and the worker is relatively equal and when there is an ongoing relationship between the customer and the worker in service interactions.

Korczynski (2009a) contributes to reconnect worker-customer relations back into the worker-customer-management triangle. The concept of alienation is a critical analytical tool to understand the overall alienation experienced by service workers and to reinterpret class conflict in the service society. In many service jobs, customers are viewed by workers as the primary alienating figure, so service workers may resist against customers rather than against more distant managers, who actually participate in forming the worker-customer relationship.

However, Lopez (2010) notes a limitation in the increasing literature on the study of the service triangle, in that the primary attention has been to ratios among the three parties within

the triangle relationship, but the complexity of relations within each party has been largely marginalised. Actors in each party are not unitary, so more attention should be paid to relations among customers, among co-workers and among managers at different levels. The horizontal relations among co-workers have been carefully analysed as a key element of workers' consent or resistance in manufacturing settings (e.g., Barker, 1992; Burawoy, 1979, Sewell, 1998), but these horizontal relations are relatively ignored in studies of service work. In order to fill this research gap, this thesis emphasises the horizontal relations among co-workers and explores how these horizontal relations influence front-line workers' subjectivities, identities and consequent responses to various forms of management control in a Chinese insurance company.

3.5 Management of Emotion

Interactive service workers are usually required to express certain emotions during the service encounters. Emotional expression is normally viewed as irrational, and should be limited within bureaucracy, but Korczynski (2002) suggests that management encourages front-line workers to express positive emotions, especially empathy with customers, in order to make customers consume the enchanting myth of sovereignty easily. Therefore, many researchers have focused on the ways to control this emotional labour to meet the requirements of service quality (Garot, 2004; Hochschild, 1983; Lewis, 2005; Lively, 2002).

It has been recognised that “organisations have feelings” (Albrow, 1994, 1997), that organisations are sites of “love, hatred and passion” (Fineman, 1993) and that they require “commercialisation of feeling” (Hochschild, 1979, 1983). All these statements suggest that emotion should be an important research focus in organisation studies. However, the required emotions may not always be consistent with workers' “true feelings”, so the emotional exhibition has to be managed and regulated by management. Hochschild (1983) introduces the concept of emotional labour and suggests that interactive service workers are required to manage their feelings and display certain emotions according to feeling rules and guidelines defined and imposed by management.

Hochschild defines emotional labour as “the management of feeling to create a publicly observable facial and bodily display” (1983, p.7). In her empirical study of air-stewardesses, Hochschild (1983) argues that emotional labour refers to actors’ emotion management skills, which can be viewed as a saleable commodity. This idea of emotion management (or emotion work) is related to ways in which social actors shape and direct their feelings, and to the constraints imposed by social structure and institutions on shaping and directing those feelings. Hochschild describes societal norms regarding desirable type and amount of feeling supposed to be experienced in particular conditions as feeling rules. In order to accommodate these norms, emotion management occurs, seeking to “align privately felt emotions with normative expectations or to bring the outward expression of emotion in line with them” (Wharton, 2009, p.149).

However, Hochschild’s concept of emotional labour is viewed as ultimately “absolutist” in the implementation and consequences (Korczynski, 2002; Tolich, 1993). She identifies two processes of emotion management. First, “deep acting” refers to an attempt to change private feelings in order to conjure up sincere performances, which potentially results in “altering” one’s self. Second, the process of “surface acting” focuses on the publicly displayed emotion associated with cynical performances, which lead to an ultimate alienation from one’s “true self” (Hochschild, 1983, p.186-189). Through the processes of emotion management, organisations transmute feelings to align with their requirements, so smile, mood, feeling, or relationship belongs less to the self and more to the organisation.

Since acts of private emotion management are dominated by “large organisations, social engineering and the profit motive” (Hochschild, 1983, p.19), there is limited possibility for employees to exert an “active and controlling force” (Paules, 1996, p.265) in “relationships with both management and customers” (Bolton and Boyd, 2003; Callaghan and Thompson, 2002). Bolton and Boyd (2003) conclude two main weaknesses in Hochschild’s accounts of organisational emotionality. First, the division between “the public and private performance of emotional self-management” (Bolton and Boyd, 2003, p.293) is overemphasised by Hochschild, and the term “public” is used interchangeably with “commercial”, which leads to an oversimplified dichotomy. Second, a physical labour process is mistakenly equated with an emotional labour process, because emotions are totally commoditised objects separated from the worker (Bolton and Boyd, 2003). However, it is impossible to completely commoditise emotion at work, and employees’ interest in being themselves has proactive

influences within the relationship. Therefore, as owners of emotional means of production, employees maintain and exercise certain levels of autonomy and control within the relationship. Managerial prescription is not omnipotent and the presence of “unmanaged spaces” provides opportunities for employees to perform emotion work outside managerial control (Bolton and Boyd, 2003; Lopez, 2010).

Moreover, contrary to Hochschild’s (1983) emphasis on the negative costs of emotional labour, some researchers propose that the consequences are not necessarily harmful (e.g., Ashford and Humphrey, 1993; Callaghan and Thompson, 2002). In the same vein, Korczynski (2003) suggests that the formation of informal grouping contributes to reduce the potentially negative consequences of emotion management work and creates “communities of coping”. Consequences of the communities of coping can be different and even contradictory in different contexts. They can meet management requirements by reducing employees’ stress and improving retention rates. On the other hand, they may make it more difficult for management to conduct control over employees. According to Korczynski (2003), communities of coping represent the combination of consent and resistance to work.

Bolton and Boyd (2003) and Bolton (2005) further sub-classify Hochschild’s emotion work and propose a “fourfold typology of emotion work” (Lopez, 2010, p.253). According to Bolton (2005), employees can be viewed as emotion managers engaging with “pecuniary” “prescriptive”, “presentational” and “philanthropic” types of emotion management. Hochschild’s concept of emotional labour is re-theorised as pecuniary emotion management emphasising organisational feeling rules governed by the profit motive. Moreover, Bolton and Boyd (2003) suggest that commercial feeling rules cannot fully interpret emotion management, because employees are active and knowledgeable agents to exert controlling force. Therefore, Bolton and Boyd (2003) propose three further types of emotion management based on professional and organisational feeling rules, and social feeling rules. In prescriptive emotion management, feeling rules are directed towards professional or occupational norms and demands. Prescriptive and pecuniary emotion management together constitute material emotional labour. On the other hand, presentational and philanthropic emotion management constitute essential social forms, carried out with social norms or emotional gifts and care respectively. In presentational emotion management, by fitting into some accepted social norms and conventions of feeling that transcend the workplace,

individuals are able to maintain a stable sense of self (Bolton and Boyd, 2003; Lopez, 2010). In presentational emotional management, individuals engage in gifts of feeling or care and “sincere performances” according to the perceived emotional needs of others. This was originally emphasised by Hochschild (1979) as the “private realm of feeling” that should not be included as a part of organisational life.

Lopez (2010) suggests that this fourfold typology contributes to analyse the complex and contradictory nature of emotion management in service work. For example, in Lopez’s (2006) earlier study on non-profit nursing home care work, the imposition of coercive feeling rules (emotional labour) is not the only way to manage emotional aspects of interactive work. He proposes a continuum where the coercively required emotional labour can be complemented by what he terms “organised emotional care” that uses bureaucratic rules, procedures and recordkeeping to create organisational space for service providers and recipients to develop caring relationships. Lopez (2006) also suggests that this organised emotional care is more relevant to care work settings; in other work settings, such as supermarket chains, the requirement for efficiency makes the relationship building between workers and customers less important. Therefore, organised emotional care cannot be viewed as a universally applied alternative to emotional labour in service work, but this concept can be helpful to understand the differences between care work and other interactive service work.

Lewis (2005) uses Bolton’s categorisation to analyse the emotional labour of nurses. Her study explores how individual nurses choose to perform prescriptive emotion management over philanthropic emotion management, or vice versa. The nurses make continuous decisions about feeling rules in different conditions. They are clearly subject to professional norms and conventions, but in some distressing situations they tend to draw on feeling rules related to philanthropic emotion management and provide additional service and care for clients. The gender issue is taken into account to show the tension between the “‘masculinised’ prescriptive-professional form of emotion management” and the “‘feminised’ philanthropic-gift form of emotion management” (Lewis, 2005, p.578) and to articulate the undervalued feminine philanthropic emotion management within the professionalising project of nursing.

Furthermore, drawing on Korczynski's (2003) study, the emergence of "private" spaces of caring caused by the tension between different types of emotion management can be viewed as a form of informal communities of coping. According to Lewis (2005, p.579), "social cohesion, in the form of a shared gender, shared experience of work, shared experience of changes in nursing as an occupation and similar personal circumstances' forms and maintains these "off-stage" communities of coping. Within these groups nurses are able to express the undesirable emotions that emerge from struggling between different forms of emotion management.

Brook (2009) criticises that Hochschild's argument is too pessimistic in its suggestion that the feelings and selves of emotional labour belong to the employers rather than employees themselves. On the other hand, Bolton is too optimistic to suggest that the feelings and selves of emotional labourers belong to themselves. According to Brook (2009), airline flight crews maintain some level of their emotional skill which is not fully taken over by management. This is similar to the case in manufacturing settings in which skilled repair workers' tacit mechanical skills are not fully expropriated by management. However, the presentational, prescriptive and philanthropic emotion of workers is viewed as just a "part of the contradictory of the process of emotional labour".

Moreover, Lively (2002) illustrates that there has been considerable research focus on the worker-customer relationship or the phenomenon that sees the customer as manager. These studies frequently suggest that the customer plays an important role in regulating workers' productivity, quality of service, emotional display, and behaviour, which may both undermine and support managerial attempts. By contrast, Lively's (2002) research on emotional labour of paralegals in consumer-oriented firms shifts the emphasis from the worker-customer relationship towards the intraoffice relationship, comparing the nature of consumer-oriented paralegals and commercial-oriented paralegals. Lively shows that with the introduction of the customer, consumer-oriented paralegals have a greater level of emotional involvement and increased interpersonal relationship with those customers. However, this increase in emotional labour directed towards the customer affects the interoffice interaction, in that consumer-oriented paralegals tend to perform less emotional labour in the interaction with their attorneys. Lively concludes that the positions of consumer-oriented paralegals are

less prestigious than commercial-oriented positions, because of their association with “smaller firms, lower salaries, limited access to secretarial support (NALA, 2000), and less prestigious clients” (Lively, 2002, p.222). Therefore, the different levels of emotional labour displayed by consumer-oriented paralegals to customers and their attorneys can be seen as leverage used to adjust their negative emotions caused by their less prestigious status.

3.6 Management Control in Sales Work

In the preceding sections, discussions of control mainly focus on call centres and health work, and examine how contradictory forms of control may contribute to improve efficiency and quality of service and manage front-line workers’ emotions. A variety of front-line workers’ responses to those different forms of control are also presented. However, in the recent literature on front-line service work in the fields of organisation and employment, studies on control of face-to-face sales workers are limited. This section examines types of control in extreme forms of sales work, and interprets the development from pure sales work to sales/service work.

Sales workers already make up a considerable proportion of the front-line service workforce in many advanced economies (Castells and Aoyama, 1994; Rothman, 1998). Korczynski (2002, p.104) identifies the key aspects of front-line sales work as “actively stimulating demand, encouraging customers to purchase a good or service”.

There are two main features of the extreme form of sales work. First, sales workers are paid by commission fees, which means the more products, such as cars, insurance policies, and houses, they sell, the higher payment they receive. Research show that a wide range of sales work, for instance, insurance and financial service sales (Leidner, 1993; Clarke, 2000), car sales (Browne, 1973), and estate agency sales (Clarke et al., 1994), share a common payment system which consists of a low base salary and a significant commission element. Employment security is often associated with the achievement of weekly or monthly sales targets (Clarke, 2000; Frenkel et al., 1999; Korczynski, 2002; Rothman, 1998). The commission based payment system in extreme forms of sales work implies a sales-oriented rather than a customer-oriented approach.

The second characteristic refers to the development of an ideology that “legitimises the techniques of manipulation which sales workers may apply to customers” (Korczynski, 2002, p.106). There are two possible ways to form this ideology. First, a faith in products is instilled into sales workers. This can be concluded from Biggart’s (1988, p.99) study on pyramid sales structures and direct sales organisations, which emphasises the importance of “business of belief” and “product ideologies”. Biggart (1988) suggests that a belief in the products’ transformative power can be seen as a crucial driving force for direct sales organisations. Similarly, Leidner (1991, 1993) investigates insurance sales and articulates that training is important for building a “positive mental attitude” of salespeople through the inculcation of a belief in the benefit of products. The second way to legitimise manipulation in the sales interaction refers to the development of appropriate imagery of the customer. Where sales workers hold a paternalistic image of the customer, as someone who should be helped to understand the true benefits of the product, this could potentially justify the high pressure generated in the sales interaction (Korczynski, 2002; Morgan and Knights, 1992).

The commission based payment system shares some similarity with tipping employees in hospitality settings, and implies a “management vacuum” in sales work (Clarke, 2000). According to Clarke (2000), an overall remuneration centralised towards commission payment potentially leads to the absence of some important aspects of HRM practices, such as selective recruitment, training, development of service cultures and teamworking. For instance, in many UK financial service firms sales workers are offered only thirteen days’ training before they are allowed to get into the field (Clarke, 2000). Moreover, Hodson and Sullivan (1995, p.355) argue that sales workers can be viewed as quasi-independent contractors “who are offered a desk in the firm but who have few of the other characteristics of steady employment”. However, other studies highlight the importance of recruiting the right kinds of sales workers and the necessity of providing them with proper training (e.g., Leidner, 1991, 1993; Knights and Morgan, 1990), and of the utilisation of information technology for surveillance purposes (Knights and Murray, 1992).

On the other hand, sales workers within some service jobs require higher degrees of discretion and relatively non-standardised processes; for instance, automobile salespersons,

insurance agents, and nurses (Fuller and Smith, 1991; Leidner, 1991, 1993). These higher levels of discretion and autonomy lead to greater task-level empowerment. Moreover, the significant propensity to manipulate customers to consume accounts for higher levels of empowerment of sales workers with regard to customers (Korczynski, 2002). In addition, individualised sales workers tend to improve their individual competitiveness among others competing for potential customers and rare rewards from the organisation; as a result, they have little incentive to share information upwards or with their peers (Lloyd and Newell, 1999). For this reason, teamwork is largely absent in the extreme form of sales work.

Furthermore, in some forms of sales work bureaucratic aspects are marginalised. Accordingly, some scholars propose alternative models of work to theorise the distinctiveness of sales (Biggart, 1988; Frenkel et al., 1999). For instance, Biggart (1988, p.7) replaces the model of bureaucracy by the direct sales organisation, suggesting that “the logic of the direct sales organisation is a challenge to the bureaucratic logic” and that direct sales organisations “have almost no rules, and ...few managers”. Emotional attachment and charismatic authority play important roles in this type of organisation. Frenkel et al.’s (1999) model of the entrepreneur also suggests a peripheral role of management and provides a theoretical underpinning to examine the positive and negative experiences of sales work. A key satisfaction of sales workers concerns the considerable autonomy during work processes (Frenkel et al., 1999), which echoes Browne’s (1973) earlier argument that sales workers usually perceive the value of their work as not needing to be pinned to a desk. Moreover, Browne (1973) indicates that the positive emotional displays during service interactions, such as a smiling facade, may not be driven only by instrumentalism, but derive also from the autonomy perceived by sales workers.

Similarly, Butterfield (1985, p.66) also shows that sales workers are satisfied with their work, because they feel pleasure at the control they have over their work process. Collinson et al. (1990, p.137) consider the connection between ideologies of masculinity and great independence and suggest that “the task of selling is described ideologically in terms of a heroic drama in which “intrepid” and autonomous males stride out into the financial world and against all odds return with business”. Therefore, sales workers’ perceived pleasure from

autonomy is entwined with the pleasure and accompanying pains from the experiences of a particular masculinity.

Interactions with customers can be viewed as another potential source of sales workers' pleasure. Korczynski (2002) argues that although there is greater instrumentalism during sales interactions compared to other front-line service work, there is also a paternalistic imagery of the customer, which could result in real pleasure. For example, Clark et al. (1994, p.136) note, "the small gestures of appreciation, a card, flowers, and a bottle of wine, from satisfied customers were repeatedly referred to as part of what makes the job worthwhile – and compensates for the contrariness of some members of the public".

By contrast, the negative aspects of extreme sales work are also acknowledged by scholars. For instance, Butterfield's (1985) study in Amway shows that this direct sales organisation tries to colonise and instrumentalise all aspects of sales workers' lives, rather than promoting positive and nurturing dimensions of emotional attachment. For Butterfield (1985, p.53):

"Amway begins to change your life the first time you approach your friends and family members to sell the products or recruit them into the business. Hitherto you related with them as friend, brother, sister, son, daughter. Now you are relating as a salesperson to customer. As soon as you list all your friends in a notebook as potential customers and distributors, they become prospects. With a friend there is no ulterior motive for your association...But when you put a friend on a prospect list, then you are guiding the friendship in a preconceived direction; the friendship is no longer primary, it is a means to an end".

It has been argued that high levels of turnover represent another negative aspect of extreme forms of sales work (Knights and Morgan, 1990; Clarke, 2000). Specifically, Clarke (2000) notes that the turnover rate in financial service sales work in the UK is up to 40 per cent per year. Frenkel et al. (1999) suggest two possible causes of turnover, namely tension and dissatisfaction. First, sales workers may experience significant insecurity from their quasi-

independent contract jobs and pressures from commission based payment systems, since if they are not able to make enough sales, their pay falls and their employment security is placed in jeopardy. Moreover, the instrumentalism of sales work is likely to cause tensions in the customer-sales worker relationship. If a negative imagery of customers, rather than the paternalistic image discussed above, is combined with instrumentalism in the justification of manipulation, then relationships between customer and sales worker are rather dehumanised (Frenkel et al., 1999). Oakes (1990) examines the experience of insurance sales and argues that survivors in extreme forms of sales work are more willing to ignore the tension between paternalistic imagery and instrumental manipulation of the customer. As Oakes (1990, p.87) concludes:

“In order to develop their competence as sales personnel, agents need to know how to ignore the kind of knowledge that compromises their own effectiveness and endangers the viability of the practice of personal sales... The illusion most indispensable to agents is their belief in the coherence of the sales process itself and the consistency between the two idioms that define their occupational identity and make their work possible”.

In summary, it has been suggested by previous researchers that workers in extreme sales work have significant discretion on how to complete their tasks and are highly motivated and controlled by the commission payment system. These characteristics of extreme sales work have both positive and negative effects on sales workers' employment relationship and the worker-customer relationship. However, such extreme forms have become less significant, because in many sales contexts emphasis is now placed on both sale-orientation and service-orientation.

What is missed in Frenkel et al.'s (1999) discussion of an entrepreneurial model, is consideration of the quality of service-sales interaction as perceived by customers. In contemporary front-line service work there has been a tendency towards encompassing service elements within the restructuring of extreme sales. For example, Clarke et al. (1994) show the development of “relationship sales” and “relationship marketing”, which suggest a

market-led shift from extreme forms of sales towards service consideration. Rather than an emphasis on the immediate revenue generated by single transactions, management in sales work seek to encourage workers to build ongoing relationships with customers to maximise the longer-term revenue generation (Korczynski, 2002; Korczynski and Ott, 2004). This relationship between the customer and worker has been explained in Section 3.4.

3.7 Chinese Service Work: Context of Chinese Insurance Industry

Commercial insurance was first introduced to some major cities of China by the British in the early nineteenth century. There were two major features of the Chinese insurance industry from the nineteenth to the early twentieth centuries. First, life insurance policies were provided by only one-fifth of the insurers, so life insurance was not the core business of the Chinese insurance industry during that period. Secondly, before the establishment of the People's Republic of China in 1949, the Chinese insurance industry was dominated by foreign capital. There were 64 foreign-owned insurance companies in China in 1948, and the Chinese-owned insurance companies consisted of those which were controlled by the Nationalist Party (Kuomintang), named the "four banks and two bureaus" and a few privately owned companies with insurance as part of their business (Chan, 2009; Zhou, 2010). After the establishment of the People's Republic of China, the People's Bank of China (PBC) had permission to set up the People's Insurance Company of China (PICC), a state-owned insurance company that ran various insurance businesses. Thirty billion RMB was allocated to the PICC by the PBC to set up five regional branches. The goal was to end the dispersed economic management practices and anarchy caused by wars, to centralise monetary management and to bring into better play the functions of compensating the economy, pooling capital and promoting imports and exports (Zhou, 2010). Moreover, the existing industry in China was put under reform and reconstruction. After its establishment, in order to facilitate the economic development in the newly founded PR China, the PICC expanded its business scope very quickly and continuously introduced new insurance policies. By May 1950, 70% of the national insurance income went to the PICC, 8% to Chinese private insurance companies and only 22% to foreign companies (Liu, 2008). This new structure of the insurance industry in China marked the end of foreign monopoly in the Chinese market and the beginning of leadership of state owned companies.

From 1959 to 1979, the Chinese insurance industry suffered from a period of stagnancy. Under a system of planned economy, insurance is only a tool to pool idle money for monetary backup, as well as the ideology of “Absolute Equalitarianism”, the PICC suspended business in almost all cities and only kept its overseas businesses (Zhou, 2010). In 1967, affected by the extremely left-wing trend during the Cultural Revolution, the domestic insurance business was forced to stop. All overseas business was halted except for the export insurance business, which had the function of getting foreign exchange. This was another heavy blow to China’s insurance industry.

In November 1979, the first national insurance conference was held in Beijing, after the shutdown of the domestic insurance business about twenty years ago. It was decided that the domestic insurance business would restart from 1980 and that the overseas insurance business should be encouraged to develop in all possible ways. A new period of fast development of China’s insurance industry began (Zhou, 2010).

It can be summarised from more than three decades’ exploration that Chinese political regulations and economic reform played an important roles in the rapid development of China’s insurance industry. Market participants have increased continuously during the reform and opening-up. From 1980 to 1985, the PICC gradually recovered and accelerated the development of its domestic insurance business, accompanied by its continuous improvement in the organisational structure. In 1982, the board of directors and the board of supervisors were established. In 1984, it became an independent economic body of the PBC under the direct leadership of the State Council and ran exclusive monopoly in the insurance industry. In March 1985, the State Council promulgated the Provisional Regulations on the Insurance Business Management, and prescribed that setting up an insurance organisation and running insurance businesses are possible as long as the relevant requirements are met and that approval from the state insurance regulatory body and business licenses from the administrative authority are obtained. In 1986, approved by the PBC, Xinjiang Production and Construction Corps Insurance Company were established. Between 1988 to 1991, Ping An, the Pacific and other joint-stock insurance companies were established one after the other. Therefore, the monopoly by the PICC in the domestic insurance market was broken.

The Chinese commercial insurance industry has developed rapidly since 1992. In 1980, the national premium income was only around 460 million RMB, while in 2008 the number reached 978.41 billion RMB which was more than the total premium income of the 20 years from 1980 to 1999. The dramatic growth of the Chinese commercial insurance industry has relied on its marketing strategies introduced by American International Assurance and its particular socio-economic, political and cultural environment. In September 1992, American International Assurance (AIA), which is a subsidiary of American International Group, Inc. (AIG), set up its branch in Shanghai with its life insurance business and property insurance business. An individual marketing strategy was firstly introduced by AIA to China's life insurance industry. Individual marketing refers to the way of marketing that life insurance companies pay commission to sales agents who sell personal insurance products under authorisation. Individual marketing is the major sales channel for personal insurance in many countries and regions. Before the opening-up, China's insurance market was dominated by property insurance; personal insurance only had a small market share. Before 1992, personal insurance was mainly sold directly to group clients or by part-time agents; individual insurance was still in its infancy and people did not have much awareness of insurance. After introducing the individual marketing mechanism that sold personal insurance products via individual agents or sales agents, domestic companies followed suit and reformed the traditional marketing, bringing about innovations in individual life insurance products and services that promoted the fast development of personal insurance industry (Chan, 2012). In the mid-1990s, premium revenue from individual marketing exceeded that from direct marketing to group clients; individual marketing became the major sales channel in 1996 and personal insurance premiums surpassed property insurance premiums in 1997 (Yearbook of China's Insurance, 2010). The introduction of individual marketing not only resulted in the leapfrog development of personal insurance, but it also raised the social awareness of insurance thanks to the efforts made by individual sales agents in knowledge-sharing and promotion.

There are several reasons for the popularity of individual marketing mechanisms. First of all, when individual marketing was introduced in China, the life insurance industry was still underdeveloped, social recognition of it remained poor, businesses were scattered and only a

few varieties of products were available. Individual sales agents were employed as a complement to short-handed insurance companies since they helped increase exposure to prospects, disseminate insurance knowledge on a larger scale and enhance the social recognition of insurance. Secondly, by door-to-door sales, individual sales agents would visit every household to carry out better targeted promotion; it strengthened understanding and trust of prospects towards insurance companies and helped better identify potential requirements of prospects. In fact, authentic and real-time feedback and suggestions collected by individual sales agents and passed to insurance companies were an important basis for developing new products (Huo, 2006).

Moreover, this pattern is also suited to the Chinese traditional culture of “regarding the milk of human kindness” and “relying on *guanxi* (relationship between people)”. Chan (2009) also provides a similar notion of “the etiquette of *renqing*” which is a kind of “moral cement” reproducing and stabilising social relations. The etiquette of *renqing*, explained by Chan (2009, p.291) “demands that people with good relationships ought to deliver asymmetric obligations to each other to maintain, strengthen, and reproduce the relationship”. As a consequence, an existing relationship provides individual sales agents entry point to promote life insurance. It is true that the relatives, friends, and previous colleagues are the first choices for new individual sales agents to sell insurance to. Under pressure of maintaining current relationship with sales agents, prospects tend to buy life insurance to do their friends or relatives a favour. Then the existing clients may introduce the individual agents to their relatives, friends, or other people they know. Because the prospects are those who have direct or indirect *guanxi* with the individual sales agents, they usually feel sorry for refusing to buy insurance products. As a consequence, in order to earn more premiums, most Chinese life insurance companies tend to recruit as many individual agents as possible to build a larger *guanxi* net. The insurance products can be popularised rapidly by recruiting a huge number of individual insurance sales forces, therefore, when a new insurance product comes out, a lot of prospects will know this product within a few days (Chan, 2009; 2012).

In addition, the cost of individual sales agents is relatively low. The relationship between individual sales agents and the insurance company is a relationship between commission and the principal, and the individual sales agents sign an agency contract rather than a labour

contract with the company. Therefore, the income of an individual insurance agent is mainly from commission and bonuses related to their sales performance, but they do not benefit from “Five Insurance and One Fund”, which are pension insurance, health insurance, maternity insurance, occupational injury insurance, unemployment insurance, and housing provident funds, that other companies usually provide to their employees. Since the income of an individual sales agent is fully linked with his/her performance, such an unconventional income distribution system highly motivates individual sales agents to do a better job (Chan, 2012). Because of this individual marketing mechanism, the life insurance business in China increased rapidly and exceeded property insurance business, which changed the Chinese insurance market structure. The life insurance premiums account for 67% of total premiums in 2009 (Ye and Zheng, 2009).

Besides the individual marketing mechanism, the socio-economic and political environment has played a crucial role in the dramatic expansion of China’s life insurance industry. Firstly, the Chinese economy experienced a considerable expansion in the 1980s and 1990s which astonished the world. It has grown from one of the poorest economies in 1978 to the seventh largest in the world in 2000 (Chan, 2012). During this period, per capita GDP increased 5.2 times and per capita income for rural residents and urban residents increased 4.7 time and 3.6 times respectively (Bian, 2002). This potentially increased Chinese people’s financial capability to purchase insurance products. However, Chan (2012) suggests that the booming economy and growing wealth of people are only the basic condition for the expansion of the Chinese life insurance market, because “a strong purchasing power of the population does not automatically transform into demand for life insurance, if people do not have a higher sense of risk” (Chan, 2012, p.25). Therefore, the second condition that has facilitated the development of the Chinese life insurance industry is the unique socio-political environment. Due to the transformation from the planned economy to a new market economy, the traditional state-owned enterprises (SOEs) have been through a range of restructuring since the late 1980s. The so-called “iron rice bowl” system, which is an analogy for the life time employment system for employees of SOEs, was shattered. New employees of SOEs lost de facto lifetime employment (Tomba and Tomba, 2002). Meanwhile, the old employees of SOEs faced a wave of massive furloughs (*Xiagang*). Starting in 1992, which is the same year with the restructuring of the Chinese commercial insurance industry, numerous SOEs became bankrupt because of the intensified marketisation which accelerated the pace of furloughs

(Chan, 2012). Moreover, the comprehensive socialist welfare system had disappeared and was replaced by privatised medical care, individualised pension schemes and reduced housing and child care (Chan, 2009; Davis, 1999, Guo, 2003). The increasing job insecurity and the loss of comprehensive welfare benefits have raised peoples' general sense of risk and their receptivity to life insurance which facilitated the rapid development of the Chinese life insurance industry. Given this particular socio-political context, many new life insurance companies provided new working opportunities for those *Xiagang* people who were forced to step down from their jobs (Liang, 2006). Therefore, *Xiagang* people enlarged the population of the Chinese life insurance salesforce which potentially raised the expansion of life insurance industry in China.

In addition, the cultural obstacles have formed the initial preference of life insurance products in China (Chan, 2009). In traditional Chinese culture, there is a taboo about thinking and talking about misfortunes, such as unpredictable, accidental, or premature death. This taboo is rooted in the Chinese concept of life and death. Both Confucian and Taoism promote the concepts of "good life" and "good death". The concept of good life refers to a person who has a comfortable life when they get old. According to the notion of having a good life at the end, Chinese people traditionally pay great attention on yangliao (life after retirement). In order to have a high quality life after retirement, Chinese people usually have a habit of saving to accumulate money for their yangliao. On the other hand, the concept of "good death" refers to a natural death after a full life while one's children are grown-up and independent. However, commercial life insurance unusually concerns posthumous financial arrangements for the living relatives, which is not easily accepted by Chinese people at the early phase of introducing the life insurance products. Under this cultural circumstance, domestic life insurance companies defined their life insurance products as money management rather than risk management (Chan, 2009; 2012). China's life insurance products are not purely protective products, and the purchase of life insurance products is normally understood as a saving or investment. Although all life insurance products should have a life component with a payment for death due to the national regulation, the percentage can be insignificant (Liang, 2006). The life insurance sales agents tend to highlight the dividend feature and introduce life insurance policies as an investment tool in order to meet the local preference of saving for retired life. Consequently, by emphasising the saving and investment features of life

insurance products, China's life insurance industry has overcome the cultural barriers and developed rapidly.

It can be concluded from the above that the individual marketing mechanism, the socio-economic and political environment, and the design of life insurance products have fuelled the tremendous development of China's insurance industry. However, many problems have occurred and generally formed the features of the current life insurance industry. It is necessary to explicate the status quo of China's life insurance industry, because it provides a specific context to understand and evaluate the targeting company's control strategies.

Driven by the individual marketing strategy, there is a huge individual salesforce working for China's life insurance companies. By the end of 2008, there were 3.495 million employees working in China's life insurance companies, and 2.8643 million of them were individual sales agents (Yearbook of China's insurance, 2010). A human sea tactics of using large numbers of individual sales agents has benefited China's life insurance companies since the early stage of their development. It has been widely accepted by most of China's life insurance companies. Consequently, more and more attention has been paid on expanding the size of sales teams in order to achieve better premium incomes.

However, since the life insurance industry was in its infancy and the public was not familiar with the work of sales representatives, it was difficult for life insurance companies to recruit great s of sales agents in the short term. Meanwhile, traditional state-owned and collective enterprises were under the process of restructuring to private corporations, which caused a crowd of *xiagang* people (which is a China-specific term for employees who were forced to leave their jobs early but still belong to the Chinese-owned enterprises). It seems that the appearance of life insurance companies provided new working opportunities for those *xiagang* people. At the same time, those recruits met the needs of enlarging the sales forces. On the other hand, besides those *xiagang* people, the elder people, low-educated people, jobless people, and housewives also accounted for a very high percentage among the total sales forces (Liang, 2006). Recently, this phenomenon has improved a little in some big cities

such as Beijing and Shanghai, but the problem still remains that the sales agents lack of professional knowledge of life insurance products.

It has been mentioned above that *guanxi* net (network of relationship) played an important role in the early age of promoting life insurance products to the public, and this tradition has been retained. People who have close relationships with sales representatives tend to buy life insurance policies regardless of whether they understand the detailed policies or not. Moreover, sales agents are encouraged to highlight the dividend features of the policy rather than the client's obligations to stick to the insurance policies. As an investment tool, the dividend is never stable, but the sales agents prefer to show the highest return to prospects. In some extreme conditions, in order to sell more insurance products, some of the sales agents mislead customers by exaggerating the benefits of the insurance, or even cheat customers. Consequently, most clients do not fully understand the life insurance they have bought, and this partial understanding generates an excessive expectation of their life insurance policies. If the expectation is not satisfied, clients would be inclined to blame the sales agents. The gradually increased discontent from the public potentially threatens the reputation of the whole life insurance industry (He, 2005; Liang, 2006).

Furthermore, the particular employment relationship is another feature of China's life insurance industry. Sales representatives cannot guarantee their employed status, since they sign the agency contract rather than the labour contract with the life insurance companies. If the certain performance standard cannot be achieved, sales agents would not be able to keep their job. On the other hand, sales representatives can easily leave the company at any time if they want to. In addition, the current payment policy that the income of sales representatives are fully linked with their performance without any social security provided largely saves the operational cost and highly motivates sales agents to do a better job (Ye and Zheng, 2009).

Nevertheless, the declining reputation of the Chinese life insurance industry, the insecure employment, and the instable earnings all together result in large pressure on sales representatives. As a result, the sales agents' turnover in the life insurance industry is much higher than other industries in China. It is true that the turnover of sales staff in China's

insurance industry is incredibly high. The Insurance Intermediary Market Report (2010) states that the thirteenth month retention ratio is just 30%, which means only about 30% of sales staff still work for their company at the thirteenth month since they joined the company. The twenty-fifth month retention ratio is even lower with a figure of 15% (Yearbook of China's Insurance, 2010).

In order to fulfil the blank positions caused by a high turnover, China's life insurance companies keep encouraging their employees to recruit more. However, because of the low educated working environment and the negative industry reputation which have been mentioned above, it is quite difficult to recruit and keep those sales agents. Data from Yearbook of China's Insurance(2010) indicate that during the first half of 2010, on average there are 1061 new sales representatives entering the industry, while 743 existing sales forces leave every day (Yearbook of China's Insurance, 2010). This figure is pathetic for China's life insurance industry. Under the context and the status quo of the Chinese life insurance industry discussed above, it is necessary to investigate how Chinese insurance companies seek to maximise profitability of their individual insurance sales agents in order to secure and improve premium income and contribute to the continuous development of the whole Chinese insurance industry. However, although numerous researchers have investigated the influences of particular socio-economic and political contexts (Liang, 2006), marketing and recruiting strategies of life insurance companies, and cultural barriers (Chan, 2009; 2012) on the development of the Chinese life insurance industry on a macro-level, there is limited research regarding the ways in which individual insurance sales agents are controlled in teams and their attitudes and behaviour to various controls on a more micro-level; for example, organisations under the influence of specific socio-economic, political and cultural environments.

3.8 Research Gaps and Research Questions

Two main themes emerge from the literature review, both of which contribute to provide unique but sometimes overlapping theoretical underpinnings to conceptualise different forms of management control in contemporary workplaces. First, the core theories suggested by labour process scholars stress the essential indeterminacy in the translation of labour power

into actual labour (Braverman, 1994; Marx, 1976; Thompson, 1989; Thompson and Smith, 2009). Later, the indeterminacy extends to the sphere of emotional labour (Hochschild, 1983). Control in capitalist work organisation can be conceptualised as an imperative to remove as much of the indeterminacy as possible and intensify the utilisation of labour power to exploit workers for as much surplus value as possible and ensure maximised profitability for capital accumulation (Braverman, 1974; Marx, 1976; Thompson, 1989; Thompson and O'Doherty, 2009). Moreover, the employment relation between capital and labour is essentially contradictory and eventually conflictual, so management control should not be seen simply as a set of neutral knowledge and techniques aiming to improve efficiency; rather it refers to a contested relationship in which groups divided by class relations seek to exercise their influence over the employment relationship. Therefore, it produces an outcome of continually changing “frontier of control” (Goodrich, 1975) or “contested terrain” (Edwards, 1979). Furthermore, management control regimes are inherently complex, contested and continuously changeable, and cannot be separated from the capitalist political economies that “encompass the globe and include state formations and the strategies of various actors that influence the labour process and its outcomes” (Frenkel, 2009, p.527). This argument implies the nature of the development of new forms of management control and highlights the impossibility of the permanent elimination of resistance.

More specifically, the changeable control regimes represent the process whereby workers utilise diverse actions, such as collective strikes, sabotage, absence, turnover and other informal forms of misbehaviour towards control regimes, while management develop policies and practices to counter shop-floor controls and reinforce managerial control over workers (Ackroyd and Thompson, 1999; Edwards and Scullion, 1982). Thus, there is a widely accepted idea of dynamics of control, resistance and consent in the employment relationships within capitalist work organisations. The labour process tradition focuses on how workplace relationships are shaped and constrained under the dynamic combination of structural, technological and ideological mechanism development by management under the influence of macro structures of political economy (Burawoy, 1985; Child, 1985; Littler and Salaman, 1982; Thompson, 1989).

The second theme in conceptualising management control is derived from Foucauldian-influenced poststructuralist perspectives. Influences of different forms of management control on the employment relationship are mainly examined in relation to the construction of subjectivity and identity through mundane discursive practices to meet organisational requirements. Management control is conceptualised as disciplinary mechanisms, and disciplinary power “resides in every perception, every judgement, every act...Rather than ...in the organisation as if it were a sovereign state, the conception of power has to be reformed to take account of this more massive and invisible structure of control” (Deetz, 1992, p.37). The discourses that form particular subjectivity and identity are interpreted as power/knowledge relations referring to linguistic communications historically embedded in social practices rather than simply referring to the antagonistic separation of class. While not denying the existence of the material world, poststructuralist approaches identify and articulate that material world through subjects’ ability to engage with it discursively (Delbridge and Ezzamel, 2005).

Poststructuralist approaches concern control over individual identity. As a form of normative control, identity control refers to “more or less intentional effects of social practices upon processes of identity construction and reconstruction” in order to produce the “appropriate individual” (Alvesson and Willmott, 2002, p.629). In comparison to labour process approaches there has been a shift of focus from macro emancipation towards micro emancipation (Alvesson and Willmott, 1996) within poststructuralist research on identity, subjectivity and control that emphasises policies of identity, such as the membership of a work group or team (Alvesson and Willmott, 2002).

Management frequently encourages workers to align their self-conceptions with organisationally inspired discourses (Alvesson and Willmott, 2002; Alvesson et al., 2008; Casey, 1995; Kunda, 1992; McCabe, 2007). Influences of control over the employment relationship concern how organisationally inspired discourses contribute to ensure that employees internalise promoted values and norms, and thus to produce docile bodies. Resistance was once neglected and marginalised, but through the conversation and debate with materialist labour process research, poststructuralist scholars account for resistance and consent in terms of the precarious nature of subjectivity and identity. From this point of view,

identity is a more pluralistic, dynamic, complex and contradictory concept, which is continuously crafted in interaction with social-linguistic and institutionalised patterns of being and knowing (Collinson, 2003). Resistance may emerge from the never exhaustive power of management, in part because of the impossibility of discursively completed or fixed subjectivity rather than solely from determined antagonistic capital structures.

Poststructuralist approaches acknowledge employees as active agents rather than passive recipients of management discourse, who actively engage in building their identities and are able to utilise the tension between different subject positions informed by wider social relationships to resist management control (Thomas and Davies, 2005). This perspective contributes to reverse the neglect of the important dimension of social relations in the core theory of labour process approaches and considers the indeterminacy in terms of the insecurity of the individual (Thompson and O'Doherty, 2009).

To conclude, both themes summarised above have profound merits in developing knowledge on and revealing the nature of management control in contemporary work organisations. However, the poststructuralist approach can be seen as better able to capture the micro-level of everyday life and interpret actual activities in work organisations without denying the contested nature of capitalist employment relations. As has been mentioned in the literature review, workplace relationships under management control should be assessed in real conditions rather than assumed theoretically. Employees may not always be aware of the contested and conflictual employment relations, and in some situations managers and employees share the same interests.

Therefore, rather than choose one theme over another, this thesis attempts to conceptualise management control and its influences on employment relationships through a reflexive understanding of the implications of these two different themes. Both structure and agency are taken as analytical sources to understand management control through the inextricably intertwined structure and agency relationship in particular conditions, rather than falling into either a voluntaristic account of subjectivity/agency or a deterministic account of "social system"/structure. As Parker (1992, p.35) points out: "Agency is conditional on structure in

the same way that speech is conditional on grammar, but, at the same time, structures only exist insofar as they are created by agents.”

In terms of empirical studies, the expanding service sector has increasingly become a research target for Western scholars. A number of studies considered in the literature review have examined the nature of front-line service work, and the hybridised regimes of control over front-line workers comprise numerous controls with contradictory logic. Research has evaluated how different forms of control may operate contradictorily or complementally in real situations, and how they influence the triangle relationship between management, customers and workers. Also, the literature review shows how different forms of control can affect front-line workers to manage their emotional display. The unique aspects of sales work and the reasons behind the relative neglect of control studies in this research setting have also been interpreted.

Drawing from the previous literature, a number of research gaps have been identified. First, the majority of critical control studies have been conducted in advanced Western countries; very few researches concern front-line work in the Chinese context, for instance, Gamble’s (2007, 2009) studies in the Chinese retail sector. Since China is now devoting massive efforts to promoting its service industry, it has experienced a significant increase in both the contribution of the service industry to GDP, and employment in the service sectors, which are worthy of attention.

Secondly, very many studies focus on management control and its influences on customer-worker relationships, but there is limited research on the connection between customer-worker relationships in the triangle relationship. Korczynski’s (2009a) studies on the alienation between worker and customer as a reinterpretation of class conflict in the overall triangle relationship is an exception.

Moreover, the primary focus has been on ratios among the three parties within the triangle relationship, but the complexity of relations within each party has been largely marginalised.

Because actors in each party are not unitary, more attention should be paid to the relations among customers, among co-workers and among managers in different levels. Although the horizontal relations among co-workers have been carefully analysed as one of the key elements of workers' consent or resistance in manufacturing settings (e.g., Barker, 1992; Burawoy, 1979, Sewell, 1998), they are relatively ignored in studies of service work. This is partly because of the limited attention paid to front-line work teams, especially sales teams.

Furthermore, control studies in front-line service work emphasise specific types of occupation, such as call centres, leisure and hotels, retail, fast food and health care, while there has been little research conducted in the setting of the extreme form of sales work. It is argued that there has been a shift away from extreme forms of sales toward sales/service work, but there is very limited research examining the control in sales work with service elements.

Finally, although one extreme form of sales work, insurance sales, was examined in the 1990s, it was discussed as an individualised job, with a focus on how management control influences insurance sales workers' emotion and behaviour. Co-worker relationships and even customer-worker relationships were largely ignored, as were insurance sales teams.

In order to fill these research gaps, this thesis proposes the following research questions:

1. What forms of management control are adopted to manage insurance sales agents in teams?
2. What are the purposes of those particular forms of control?
3. How do those particular forms of control hybridise together to affect the triangle relationship between management, customers and sales agents?
4. Does the Customer-Oriented Bureaucracy have intellectual purchase in conceptualising those particular forms of control and understanding the reactions of insurance sales agents to those particular forms of control in a Chinese context?

CHAPTER FOUR

METHODOLOGY

This chapter addresses the philosophical and strategic methodology, data collection methods and data analysis. It firstly examines the ontological and epistemological perspectives that underpin the choice of this particular research strategy. According to the research topic and philosophical assumptions, a single-case study research design has been chosen for this thesis. The second section of this chapter presents the rationales of the research design and illustrates the ways in which the research questions have been developed. It continues to discuss why a particular research setting has been chosen and accessed, and finally the criteria for interpreting the findings are considered. In the third section, data collection methods and ways of conducting the data collection in practice are discussed. The final section in this chapter deals with the issues of data transcription, translating, coding and analysis.

4.1 Overview of Research Process

Research is represented as a multi-stage process that researchers follow in order to conduct and complete a research project. The number of stages may vary, but they all commonly start with the formulation of a research topic. According to Neuman (2014), there are seven steps of conducting research that provide a general guideline for a study. The researcher needs to ‘select a topic’, ‘focus the question’, ‘design the study’, ‘collect the data’, ‘analyse the data’, ‘interpret the data’ and ‘inform others’. However, the research process is rarely rational and straightforward in practice, since the reality is messier and sometimes initial thoughts may become less relevant or irrelevant during the process (Saunders and Lewis, 1997). Therefore, the research may not move through each of the steps one after the other; rather, some of the steps may need to be revisited more than once in order to refine the earlier research design, ways of data collection, as well as analysis and interpretation of data, just as Neuman’s (2014) suggestion of iterations in finalising the research design. It is true for this exploratory study.

The topic of this study is ‘understanding how management control affects the triangle relationship between management, customers and sales agents in a team-based context’. Marshall and Rossman (2011) indicate that a research topic can be viewed as a statement of the purpose of the study. The purpose embedded in this research topic is mainly an exploratory aim to identify forms of control and explore how sales workers perceive and respond to control, as well as the possible effects of control on the triangle relationship between management, customers and sales agents in a research setting that has not been studied intensively. As Robson (2002, p.59) states, an exploratory study aims to find out “what is happening; to seek new insights; to ask questions and to assess phenomena in a new light”. It is particularly useful when the precise nature of a problem is unclear because it provides a way to clarify an understanding of the problem (Saunders et al., 2009). Exploratory studies are frequently associated with the activities of the traveller or explorer (Adams and Schvaneveldt, 1991). The flexibility and adaptability to change can be seen as a great advantage. It is necessary to change research direction as “a result of new data that appear and new insights that occur to you” (Saunders et al., 2009, p.140) when conducting exploratory research. However, it should be noted, that the flexibility inherent in exploratory research does not mean that the direction to the enquiry is completely absent; rather, the initial research focus is progressively narrowed down during the research process (Adams and Schvaneveldt, 1991).

For this exploratory study, the initial research interest was to understand the effects of surveillance, especially electronic surveillance, on employment relationships in work teams. Then, relative literature was reviewed, followed by the proposal of detailed research questions, research design and data collection. As it has been suggested by Saunders et al. (2009: 490), if the data is collected for an exploratory purpose, then ‘you will need to analyse the data as you collect them and develop a conceptual framework to guide your subsequent work’. Following this logic, the researcher analysed data collected from a range of methods including documents, observations and semi-structured interviews during the early stage of data collection. It was found that the data did not reveal as much information about the initial topic – electronic surveillance and related issues – as expected. However, the collected data presented much more information about a broader topic of management control and generated a number of interesting issues about participants’ perspectives on and responses to a variety of control issues in the chosen organisations. Therefore, the researcher developed a

new conceptual framework related to management control in order to guide subsequent data collection and analysis. Accordingly, several changes to the interview questions were made in order to explore more information associated with management control, as well as its effects on employment relationships. The research questions were generally refined during the process of data collection and data analysis. The stage of literature review was also revisited by looking into literature related to concepts generated from data analysis in order to generate and interpret themes appropriately in research findings.

This flexibility during the research process represents a key characteristic of qualitative research and exploratory study (Cassell and Symon, 1994); namely that research questions are addressed in a developmental manner and the specific topic is framed and refined, and that there is also a full discussion of literature related to the topic (Marshall and Rossman, 2011). Fortunately, the original topic of surveillance has been viewed as a sub-theme in management control in the relevant literature, so there were not very many changes to the interview questions, and there was little impact on the initial philosophical consideration and research design. However, unexpected concepts, such as hybridised forms of control and the relationships between managers, customers and service workers, which were discovered during the preliminary data analysis, required additional literature to be reviewed. In this study, after the analysed results of several observations and transcripts of three pilot interviews, previous literature related to management control studies in service settings was reviewed and based on the information from the literature, the research topic and research questions were finalised. Key themes reflected from the data collected from multiple data collection methods are discussed in Section 5.4, Data Collection.

In order to address research questions, this study used a qualitative approach, which is a “research strategy that usually emphasises words rather than quantification in the collection and analysis of data” (Bryman and Bell, 2007, p.402). According to Cassell and Symon (1994, p.7), characteristics for qualitative research can be defined as:

“a focus on interpretation rather than quantification; an emphasis on subjectivity rather than objectivity; flexibility in the process of conducting research; an

orientation towards process rather than outcome; a concern with context – regarding behaviour and situation as inextricably linked in forming experience; and finally, an explicit recognition of the impact of the research process on the research situation”.

It has been suggested that qualitative research predominantly emphasises an inductive approach to the relationship between theory and research, which views theory as the outcome of study. From an inductive stance, generalisable inferences are drawn out from observations (Bryman and Bell, 2007). Moreover, qualitative research focuses on “the ways in which individuals interpret their social world” (Bryman and Bell, 2007, p.28), rather than practices and norms with scientific research and a positivism stance. Lastly, social reality is viewed as “a constantly shifting emergent property of individuals’ creation” (Bryman and Bell, 2007, p.28). Therefore, as a research strategy, qualitative research usually embodies an inductive view, an interpretivist position and a constructionist stance, although it does not always subscribe to all three of these stances. In the next section, the philosophical considerations of this qualitative study are explained in detail.

4.2 Research Philosophy

The research philosophy involves assumptions about how we view the world. It is important for researchers to consider which philosophical assumptions should be adopted in relation to particular research objectives, because philosophical assumptions underpin the research strategy and the selected research methods as part of that strategy. As Johnson and Clark (2006) suggest, researchers’ commitments to particular research philosophies have a considerable impact, not only on what they do, but also on their understanding of what they are investigating (Saunders et al., 2009). There are two major ways of thinking about research philosophy: ontology and epistemology. Ontology refers to how we view the nature of reality or being, and certain ontological assumptions adopted by a researcher show his/her commitment to a particular view about how the world operates (Bryman and Bell, 2007). On the other hand, epistemology is concerned with how acceptable knowledge is constituted (Saunders et al., 2009). It has been suggested by Crotty (2003, p.10) that ontology is concerned with the question of ‘what is’, while epistemology is concerned with “what it means to know”.

This research adopts a more subjectivist ontological stance, which holds that “social phenomena are created from the perceptions and consequent actions of those social actors concerned with their existence” (Saunders et al., 2009, p.110). This implies that social properties are not phenomenon “out there”, but are outcomes of the interactions between individuals (Bryman and Bell, 2007, p.23). Particularly, an ontology view/perception/stance of constructionism underpins this research, which holds that ‘meaning is not discovered, but constructed’ (Crotty, 2003, p.42). This ontological position follows from an interpretivist philosophy and suggests that reality is socially constructed by social actors, and the subjective meanings which motivate the actions of social actors are the key concern for Constructionism.

According to Creswell (2008), subjective meanings of individuals’ experiences are varied and multiple; therefore, researchers who adopt the constructionist position should rely on participants’ perspectives of the situation being studied as much as possible, while appreciating the complexity of views; rather than restricting meanings into a few categories or ideas. Moreover, subjective meanings are “not simply imprinted on individuals, but are formed through interaction with others” (Creswell, 2008, p.8), therefore, they are socially constructed. In addition, subjective meanings are also formed based on historical and cultural norms that individuals have perceived in their lives. Thus, from a constructionist perspective, it is necessary to place emphasis on the processes of interaction among individuals and address the specific context that people live and work in in order to understand the particular historical and cultural settings of the participants (Creswell, 2008).

This social constructionism is often combined with the epistemological position of interpretivism (Mertens, 1998), which is viewed as a contrast to positivism. A positivist epistemology is usually adopted by natural scientists, and those who apply positivism in the social science suggest that social reality is observable and the result of the research can be “law-like generalisations similar to those produced by the physical and natural scientist” (Remenyi et al., 1998, p.32). In contrast, interpretivism holds the idea that the social world is understood “through an examination of the interpretation of what world by its participants” (Bryman and Bell, 2007, p.402). There are three intellectual heritages of interpretivism

including: Weber's notion of *Verstehen*, hermeneutic-phenomenological tradition and symbolic interactionism, is discussed later in this section.

Some researchers have inveighed against using a natural science model to study the social world, because the subject matter of social science is fundamentally different from that of natural science. The former refers to people and their institutions, while the latter involves objects. Such differences require a different logic of research procedures to the natural sciences in the study of the social world, which could show the distinctiveness of human beings against the natural order (Bryman and Bell, 2007). Von Wright (1971) has presented the epistemological clash between positivism and hermeneutics. This clash concerns the distinctive emphasis between adopting the positivist approaches and the hermeneutic approaches in social science. The former frequently focuses on the explanation of human behaviour, while hermeneutics, originally deriving from theology and referring to the theory and methods of the interpretation of human action in the social sciences, seeks to understand human behaviour (Bryman and Bell, 2007). According to Bryman and Bell (2007, p.18), the hermeneutic approach "is concerned with the empathic understanding of human action rather than with the forces that are deemed to act on it".

Dilthey (1924) presents the distinctiveness between *Verstehen* (understanding) and hermeneutics (theory and methods of the interpretation). According to Dilthey (1924), *Verstehen* can be defined as the process 'by which from signs given to the sense we recognise something psychic, of which the signs are the expression' (cited and translated by Harrington, 2001, p.317). On the other hand, the task of hermeneutics refers to the theory of interpretation ('art of understanding'), which is "to preserve the general validity of interpretation... and to give theoretical justification for such validity, upon which all the certainty of historical knowledge is founded" (Dilthey, 1924, cited and translated by Harrington, 2001, p.317). Moreover, Weber (1947) expresses the contrasting notions of *Verstehen* (understanding) and *Erklären* (Explaining) in his definition of sociology, which he describes as a "science which attempts the interpretive understanding of social action in order to arrive at a causal explanation of its course and effects" (Weber, 1947, p.88). Both understanding and explaining are specified in this definition, but the task of "causal explanation" is conducted with "the interpretive understanding of social action", rather than with "external forces that

have no meaning for these involved in that social action” (Bryman and Bell, 2007, p.18). Furthermore, Harrington (2001) suggests that “empathy” must be shown in order to understand others thoughts and actions, unfamiliar cultures or periods of history. According to Harrington (2001, p.311), if empathy is “taken to mean the process of grasping the specific cultural, linguistic and historical context of given events, its meaning seems legitimate”. However, it could be problematic if it is taken as an ability to understand others’ feelings through experiencing those feelings ourselves. As Weber (1968, p.5) states, “One need not have been Caesar in order to understand Caesar”. Therefore, it is important to empathise or identify with the data before starting to understand such data.

In addition, phenomenology refers to an anti-positivist position that is concerned with how individuals make sense of the world around them. From a phenomenologist perspective, human behaviour is viewed as “a product of how people interpret the world...In order to grasp the meaning of a person’s behaviour, *the phenomenologist attempts to see things from that person’s point of view*”(Bogdan and Taylor, 1975, p.13-14, emphasis in original). The third intellectual tradition of interpretivism refers to symbolic interactionism, which holds that people interpret the social world in a continual process in which people may adjust their meanings and actions with reference to their interpretations of others’ actions based on their interactions (Saunders et al., 2009). From an interpretivist perspective, human actions are meaningful, since social reality has a specific meaning for human beings (Schurz, 1962). As social actors, people interpret and act out their social roles on the basis of meanings that they give to these roles. Moreover, people also rely on their own set of meanings to interpret the social roles of others (Saunders et al., 2009).

4.3 Research Design

As it has been discussed above, this study adopts a qualitative research strategy guided by the constructionist ontology and interpretivist epistemology. Following this research strategy, two more important decisions concerning choices about research design and research method must be made in order to guide the approach of data collection and analysis. The distinction between the research design and research method is that a research design provides a framework that guides the collection and analysis of the data, while a research method refers

to a technique for collecting data (Bryman and Bell, 2007). As Hartley (2004, p.326) states, “Research design is the argument for the logical steps which will be taken to link the research question(s) and issues to data collection, analysis and interpretation in a coherent way”. Given the consideration to the nature of this study and the research topic and questions, a case study research design was adopted to guide the following data collection and analysis. In this section, the reasons for adopting a case study are examined. It follows with a detailed explanation of a single-case study research design. In addition, the quality of this study is examined in terms of validity and reliability.

4.3.1 Reasons for Adopting a Case Study Design

In order to form the most appropriate research design, three important conditions should be considered, including (a) the type of research question, (b) the extent of control over behavioural events and (c) the focus on contemporary or historical events (Yin, 2009). The key research question guiding this study has been asked in the form of a ‘how’ question: “How does management control affect the triangle relationship between management, customers and sales agents in the context of a Chinese insurance company?” Yin (2009) suggests that the questions of “how” and “why” are more explanatory and can be viewed as the rationale for using case studies as the preferred research design. Although the ‘what’ question is frequently associated with survey research design, it can also be answered by the case study research depending on which type of “what” question is asked. According to Yin (2009), there are two types of “what” questions. The first type of “what” question refers to the inquiry of “how many” or “how much”, which is more likely to be answered through the use of a survey or archival research. The “what” questions asked in this study are the second type of “what” question, which is exploratory; such as “What forms of management control are adopted to manage insurance sales agents in teams?” and “What are the purposes of those particular forms of control?” This type of “what” question can be seen as a justifiable rationale for conducting an exploratory case study (Yin, 2009). The general research questions for this study have been formulated in the forms of “what” and “how”, and aim to explore and understand the phenomena in a particular setting, this led to the choice of a case study research design. Moreover, a case study research design is relevant to and favoured by this study, because this study focuses on current events rather than historical events, and it

does not require the researcher to manipulate and take control over actual behavioural events (Yin, 2009).

A case study can be defined as “a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence” (Robeson, 2002, p.178). Data for the case study research is usually collected over a period of time within a real-life context, in which particular phenomena are investigated intensively. The case study relies on multiple sources of evidence, including direct and participant observations, interviews and document analysis, which enable an intensive investigation of the case “in-depth, to probe, drill down and get at its complexity” (Ashley, 2012, p.102). Moreover, context matters because the case study research and the phenomenon being studied are not isolated from its context (Hartley, 2004). Yin (2009) provides a similar argument by stating that the boundaries between the context and the phenomenon being studied in that context are not clearly evident. A key task of case study research is to understand how the phenomenon (e.g., behaviour and/or processes) is influenced by the context (Hartley, 2004). A case study can be particularly valuable if researchers seek to gain a rich understanding of the research context and the processes being enacted (Morris and Wood, 1991).

The case study is useful and relevant to this study for several reasons. First, critical studies on management control suggest that purposes and consequences of management control can be better understood within the meaningful historical, socio-political and economic environment. The case study allows the researcher to generate intensive and detailed examination on how context (which refers to the wider socio-political and economic environment in this study) impacts on or influences the phenomena being studied (this refers to the purposes and consequences of the management control adopted by the life insurance company in China) and provides in-depth elucidation of it. As Hartley (2004, p.325) points out, “case studies are useful when it is important to understand how the organisational and environmental context is having an impact on or influencing social processes”. Secondly, given the exploratory and inductive nature of this study, a case study is appropriately chosen, because it has an important function in “building theory” and “exploring new or emerging processes or behaviours” (Hartley, 2004, p.325). Last but not least, Hartley (2004, p.325)

suggests that a case study can be used to “understand everyday practices and their meanings to those involved, which would not be revealed in brief contact”. In order to understand the consequences of management control (impacts of management control on the triangle relationship between management, customers and insurance sales agents particularly), it is necessary to understand insurance sales agents’ attitudes and actions in connection with forms of management control within the given context, which further reflect their subjectivities and identities. This requires a focus on investigating management control practices and their meanings to insurance sales agents through various research methods.

4.3.2 A Single-case Study Research Design

Yin (2009) provides a useful guide for designing case study research. According to Yin (2009, p.27), there are five components of research design for case studies, including (1) “a study’s question”, (2) “its propositions, if any”, (3) “its unit(s) of analysis”, (4) “the logic linking the data to the propositions”, and (5) “the criteria for interpreting the findings”. The general research questions for this study have been formulated in the form of ‘what’ and “how” questions that aim to explore and understand the phenomena in a particular setting, this led to the choice of this case study’s research design. Moreover, since this qualitative study is inductive in nature and focuses on generating a theory from collected data and exploring new insights within the setting where little research has been conducted, no proposition was developed prior to data collection. As a consequence, only three of these five components – research questions, units of analysis, and criteria for interpreting the findings – were considered in designing and conducting this research. It should be noted that although this study began with a broad research focus and rudimentary theory without developing any proposition, the theoretical framework was developed during the course of research to “inform and make sense of the data and which can be systematically examined during the case study for plausibility” (Hartley, 2004, p.314).

A single-case was chosen for several considerations. Hartley (2004) suggests that the result of investigating in one organisation for a period of time can provide the researcher with valuable and in-depth information about the research topic and questions. Some studies may be precluded, because of access difficulties and rarity of the phenomenon or resources (Hartley,

2004). According to Yin (2009, p.47-49), five rationales for adopting a single-case are identified, including (1) “the critical case”, (2) “the unique case”, (3) “the revelatory case”, (4) “the representative or typical case”, and (5) “the longitudinal case”. The major rationale that this single-case study mainly relied on is the revelatory case. The basis for the revelatory case exists “when an investigator has an opportunity to observe and analyse a phenomenon previously inaccessible to social science inquire” (Yin, 2009, p.48). Bryman and Bell (2007, p.64) further indicate that the idea of a revelatory case is not necessarily restricted to situations “in which something has not previously been studied”. Rather, single-case studies are treated broadly as “revelatory”, for much qualitative case study research is predominantly conducted using an inductive approach.

The single-case studied in this research can be viewed as a revelatory case where the researcher accessed a phenomenon that was previously inaccessible. Firstly, this study sought to investigate forms of management control and influences of management control on front-line service workers in the context of teams in China. However, as previously addressed in the last chapter, there has been a lot of research conducted in the Chinese service sector focused on individual front-line workers, and most of the research has been focused on retail and call centres. Limited attention has been paid to life insurance organisations in China, which involve a considerable number of front-line sales agents and sales teams. Secondly, numerous researchers have investigated the influences of a particular socio-political context (Liang, 2006); namely the marketing and recruiting strategies of life insurance companies, and cultural barriers (Chan, 2009; 2012) on the development of the Chinese life insurance industry at a macro-level. The Chinese commercial life insurance industry has developed rapidly since it was re-introduced and restructured in 1992. Researchers have examined the sudden expansion of the life insurance industry in China by linking the development to changes of the wider socio-economic environment in the late 1980s and early 1990s. Due to the transformation from the planned economy to the new market economy, the traditional state-owned enterprises (SOEs) have been through a range of restructuring since the late 1980s. The so-called ‘iron rice bowl’ system, which is an analogy for the life time employment system for employees of SOEs was shattered. New employees of SOEs lost de facto lifetime employment (Tomba and Tomba, 2002). Meanwhile, the old employees of SOEs faced a wave of massive furloughs (*Xiagang*). Starting in 1992, which is the same year as the restructuring of the Chinese commercial insurance industry, numerous SOEs became

bankrupt because they were driven by the intensified marketisation, which accelerated the pace of furloughs (Chan, 2012). Moreover, the comprehensive socialist welfare system disappeared and was replaced by privatised medical care, individualised pension schemes and reduced housing and child care (Chan, 2009; Davis, 1999; Guo, 2003). The increasing job insecurity and the loss of comprehensive welfare benefits has raised peoples' general sense of risk and their receptivity to life insurance, which facilitated the rapid development of the Chinese life insurance industry. Given this particular socio-political context, many new life insurance companies provided new working opportunities for those *Xiagang* people who were forced to step down from their jobs (Liang, 2006). Therefore, *Xiagang* people enlarged the population of the Chinese life insurance salesforce, which potentially exacerbated the expansion of the life insurance industry in China. However, given the unique context and background of the rapid development of the Chinese life insurance industry, the phenomena regarding how individual insurance sales agents are controlled in teams and how they perceive and respond to various controls on a more micro-level – organisations under the influences of specific socio-political, economic and cultural environments remain relatively unexplored. This raises another unexplored question: How does management control affect the triangle relationship between management, customers and sales agents in the Chinese life insurance industry? Last but not least, difficulties of gaining access to the Chinese life insurance companies might be another reason precluding a wider study of this particular research topic, which makes the Chinese insurance company studied in this thesis a valuable revelatory case. According to the researcher's own experience, some Chinese insurance companies were suspicious about the research purposes of an outsider. During the process of negotiating access, although the researcher got permission from the top manager of an insurance company, the middle manager or district manager only allowed the researcher to conduct interviews, but refused the request of observing sales agents' daily work activities.

In addition, the case chosen in this study presents some features of representative or typical cases to some extent, although this is difficult to justify/verify. The objective of a representative or typical case is "to capture the circumstances and conditions of an everyday or commonplace situation. The lessons learned from these cases are assumed to be informative about the experiences of the average person or institution" (Yin, 2009, p.48). It is not possible to make an absolute conclusion that the investigated life insurance company, Shield Ltd. (pseudonym), used in this study represents the experiences of other Chinese life

insurance companies. However, it can be drawn from insurance industry reports and previous descriptive research conducted in the Chinese life insurance industry that most domestic life insurance companies have similar strategies in place to encourage sales agents to promote life insurance products and to recruit new sales people. Therefore, it is possible to assume that the phenomena explored and examined in this single-case study can be transferable to experiences of other domestic life insurance companies in China to some extent, or that it can at least provide a source of new research questions for the further study of the Chinese life insurance industry.

4.3.3 Selection of the Case and Gaining Access

Based on the initial research objectives and questions, the researcher attempted to find a research setting or research settings that had three basic features. Firstly, the organisation(s) should be located in the Chinese service sector. Secondly, potential respondents in the organisation(s) should work in teams. Thirdly, the organisation(s) would allow the researcher to conduct an in-depth investigation. Based on these criteria, several companies in the Chinese service sector were considered. Because of a personal relationship with executives from one commercial bank and two life insurance companies where the first two criteria were met, the researcher got provisions from the top managers of these companies. However, it was difficult to negotiate with middle managers and district managers to get their permission to observe and/or participate in respondents' daily work and the companies' events. Due to the time restriction, the research focused on gaining full access to Shield Ltd., because the only middle manager who accepted the researcher's request of conducting both interview and observation during the first round of negotiations was from the Inner Mongolia branch of Shield Ltd. The researcher spent three days communicating with a district manager in a branch in Beijing face-to-face by going to his office and presenting the purpose and procedure of this study. From the researcher's experience, the middle managers cared less about the possible benefits of research to the company, but were more concerned about if the researcher would create negative feelings amongst respondents. Finally, an oral agreement was made between the researcher and the middle manager that the researcher could also conduct observations if it was allowed by the department managers. The following negotiations with department managers were much easier; most department managers agreed

to the request immediately once they knew that the researcher had already been granted permission from the top and middle managers.

According to Yin (2009), a single-case can be holistic or embedded. This study uses the holistic case approach, because the research is concerned with Shield Ltd. as a whole. The holistic case study is advantageous when “no logical subunits can be identified and when the relevant theory underlying the case study is itself of a holistic nature” (Yin, 2009, p.50). However, the company inevitably consists of numerous sub-units, and this study collected information from the units of respondents at different levels in the studied company, including executives, department managers, staff in HRM supporting teams, sales team leaders, and regular sales agents. Respondents at different levels were used to explore potentially dynamic perspectives regarding the research questions, which assisted the researcher in exploring individuals’ attitudes and behaviours under various forms of management control from a broad spectrum of people involved in controlling people or being controlled, to understanding and explaining how an individual’s subjectivities are constructed and affect their perceptions and responses to management control and their relationship with others in the company and with external customers. Therefore, while following the holistic level of analysis, the inputs to this analysis were solicited from respondents at various levels in the company.

Moreover, some researchers suggest strengthening the research by developing contrasts within the single-case, because it is difficult to disentangle the unique aspects of an organisation and its common aspects from other organisations in a single-case study (Hartley, 2004). This study conducted fieldwork and data collection in two branches of Shield Ltd. in different geographical locations. Data collection methods for these two branches were the same, which allowed the researcher to compare information regarding management control collected from different branches, making it possible to corroborate the information obtained. The detailed information about these two branches is introduced in Section 4.4.

4.3.4 Criteria for Judging the Quality of Research Design

Reliability and validity are important criteria for establishing and judging the quality of the research for quantitative researchers. However, arguments about the relevance of reliability and validity for qualitative research have also been made by qualitative researchers, but the meanings of these criteria are considered to be altered (Bryman and Bell, 2007; Yin, 2009). Since the issue of measurement is not a major preoccupation for qualitative researchers, when reliability and validity are assimilated into qualitative research, the salience of measurement issues embedded in these criteria are played down (e.g., Mason, 1996). There are four tests frequently used in social science methods, these are construct validity, internal validity, external validity and reliability (Kidder and Judd, 1986). Yin (2009, p.40) suggests that internal validity seeks “to establish a causal relationship, whereby certain conditions are believed to lead to other conditions, as distinguished from spurious relationships”. Yin (2009) also suggests that the internal validity is relevant in explanatory or causal studies, but the logic of internal validity is inapplicable to exploratory and descriptive studies. Since this study is an exploratory piece of research with descriptive elements, the internal validity would not be of concern in this study. Therefore, the external validity, construct validity and reliability are crucial in establishing and assessing the quality of this case study research.

The external validity refers to the domain in which findings can be generalised across social settings (LeCompte and Goetz, 1982; Yin, 2009). External validity presents a problem for qualitative researchers who seek to employ case studies and small samples (LeCompte and Goetz, 1982; Bryman and Bell, 2007). The external validity is restricted in the case study, because the evidence presented by researchers who use case studies and small samples is limited. Yet, some researchers argue that generalising research findings of one case to other cases or to populations beyond the case is not the purpose of a case study research design (Bryman and Bell, 2007). Yin (2009) suggests that case studies are generalisable to theoretical propositions, rather than to populations or universes. Therefore, the purpose of doing a case study is to expand and generalise theories, rather than to enumerate frequencies. In other words, the external validity for the case study concerns analytic generalisation, rather than statistical generalisation. Yin (2009) suggests that in analytic generalisation, previously existing theories can be used as a template to compare the empirical results of the single- or multiple-case study. This analytic generalisation can also be achieved by using replication

logic in multiple-case studies. This study uses a middle-range theory, a labour process theory to generalise the research findings analytically. Drawing on the critical debates between labour process theory and poststructuralist perspectives on management control previously developed in western countries, this study seeks to compare the research findings against the existing theoretical and empirical results to achieve analytical generalisations.

In addition, construct validity is valuable to test the single-case exploratory design. According to Yin (2009, p.40), construct validity can be increased through “identifying correct operational measures for the concepts being studied”. Some researchers recommend the technique of triangulation, which entails using more than one source of data or method in the study to improve both validity and reliability. Denzin (1978) extends this concept and views triangulation as an approach which uses multiple observers, theoretical perspectives, sources of data and methodologies. For example, Eisenhardt (1989) used triangulation of data collection strategies and suggests that qualitative data can be useful to understand the rationale relationships revealed in the quantitative data. However, for Denzin (1978), the emphasis tends to be on the methods of investigation and sources of data (Bryman and Bell, 2007). According to Denzin (1978, p.295), “by triangulating data sources, analysts can efficiently employ the same methods to maximum theoretical advantage”. Similarly, Yin (2009) also emphasises the use of triangulation by multiple sources, rather than multiple methods or approaches and views the use of multiple sources of evidence as an important tactic to increase construct validity. Yin (2009, p.101-114) identifies six primary sources of evidence for case study research, including documentation, archival records, interviews, direct observation, participant observation and physical artefacts, and each of these may require different skills from the researcher.

According to Yin (2009, p.50), single case design requires “careful investigation of the potential case to minimise the chances of misrepresentation and to maximise the access needed to collect the case study evidence”. Following this suggestion, this study used the triangulation between multiple sources of information to increase both construct validity and reliability. The triangulation of multiple sources made it possible to corroborate information and to underline some findings. Moreover, information collected from documents and observation (both direct observation and participant observation) provided a thorough and in-

depth understanding about the research context, the events of the company and the real working lives of the respondents, which not only assisted the design and revision of the case study protocol and the interview guide, but also helped the researcher to understand the meaning of information provided by the respondents in interviews more correctly. On a second level, observation and interviews were conducted in two parallel branches in different geographical locations, and the interviewees consisted of employees in different positions, including executives, department managers, general managers, HR staff, sales team leaders, and sales agents, in the studied company. This provided an opportunity for the researcher to compare information from different respondents related to the research questions, which further increased the validity of this study.

Furthermore, the reliability of the case study demonstrates that “the operations of a study, such as the data collection procedures, can be repeated, with the same results” (Yin, 2009, p.40). Qualitative research has been criticised for the high level of subjectivity emanating from the lack of objective measuring techniques. In order to deal with this criticism, qualitative researchers suggest that research procedures be standardised. This suggests that if a later investigator conducted research by following the same procedures described by an earlier investigator in the same case study again, the later investigator should discover the same findings and conclusions (Yin, 2009). From this point of view, the emphasis is on replicating the procedures (data collection in particular), rather than replicating the results. The reliability can be increased by using a case study protocol. According to Yin (2009, p82-90), the protocol should include an overview of the case study project, field procedures, case study questions and a guide for the case study report. Following this instruction, a draft protocol was developed prior to the fieldwork, which was further improved and revised during the fieldwork. It contained the proposed research objectives, case study questions and background information about the case, interview guide and possible field procedures. All the content was discussed with the researcher’s supervisor before conducting the field work, which also improved the reliability of the study. The field procedures in the protocol were revised and finalised after a series of conversations with local managers after getting access to the research setting. In addition, after several days of participant observations and three pilot interviews, the research focus was changed from surveillance to management control according to a preliminary analysis of the information collected from the observations and pilot interviews. Accordingly, several minor changes to the research questions and interview

questions were made in order to guide the following field work and data collection in different branches with different respondents.

Moreover, some researchers suggest judging validity and reliability within different paradigms (Golafshani, 2003; Healy and Perry, 2000; Johnson, 1997). The constructivist assumption underpinned by this study takes the view that all knowledge and all meaningful reality are “contingent upon human practices, being constructed in and out of an essentially social context” (Crotty, 2003). This indicates that reality is changing and there is the possibility of multiple and diverse constructions of reality (Golafshani, 2003). Since constructionism appreciates multiple and diverse realities embedded in people’s minds, in order to “acquire valid and reliable multiple and diverse realities, multiple methods of searching or gathering data are in order” (Golafshani, 2003, p.604). It is appropriate to use method and data triangulations to record the construction of reality in this study, because the “open-ended” perspective in constructivism adheres with the notion of data triangulation, “by allowing participants in a research to assist the researcher in the research question as well as the data collection” (Golafshani, 2003, p.604). Moreover, by using multiple methods of observation and interview, a more valid, reliable and diverse construction of realities can be approached (Golafshani, 2003).

4.4 Fieldwork and Data Collection

It has been suggested that the constructionist ontology and interpretivist epistemology underpin most qualitative research (Crotty, 2003; Bryman and Bell, 2007). Tharenou et al. (2007, p.17) believe that “qualitative analyses provide detail, process, richness and sensitivity to context. They are appropriate if the aim is to understand meaning and to build theoretical explanations from participant understanding”. Since Crotty (2003, p.43) states that, “the meanings are constructed by human beings as they engage with the world they are interpreting”, many qualitative researchers tend to view events and the social world “through the eyes of the people they study” (Bryman and Bell, 2007, p.416). In other words, the social world can be understood through the interpretations of the people being studied.

Moreover, following constructionist tradition, social reality, or “the truth”, is “conditioned by various social structures: our history, culture, ideology” (Black, 2002, p.167). Since human actions are viewed to be influenced significantly by the context or the setting in which these actions occur, the study of individuals’ behaviours should be located in real-life natural situations. According to Marshall and Rossman (2011, p.91), “the social and physical setting – schedules, space, pay, and rewards – and internalised notions of norms, traditions, roles, and values are crucial aspects of an environment”. For this study, such environments are particularly important to analyse the application of specific forms of control in the studied company, and participants’ attitudes of and responses to these forms of control in relation to how they are influenced by certain environments.

Moreover, people may make sense of their world differently, based on their historical and social perspectives; therefore, it is important for qualitative researchers to have a better understanding of the context or setting that participants live and work in through immersing themselves in such contexts or settings and gathering information personally (Crotty, 2003). As Lofland and Lofland state (1995, p.416), there are two central tenants of epistemology underlying qualitative research. First, “face-to-face interaction is the fullest condition of participating in the mind of another human being”; and second, “you must participate in the mind of another human being (in sociological terms, ‘take the role of the other’) to acquire social knowledge” (Lofland and Lofland, 1995, p.416). Based on the ontological and epistemological considerations discussed in section 5.2 and research design in section 5.3, three key research methods were chosen for this study, including documentary analysis, observations and face-to-face semi-structured interviews. The first two methods aimed to understand the research settings as much as possible, with an insider knowledge that provides valuable resources to understand participants’ interpretations of certain events collected from semi-structured interviews. The face-to-face semi-structured interviews were designed to reveal participants’ views about certain events associated with the research problems without losing the particular research focus.

4.4.1 Context of the Case Study

This section firstly introduces the background information about Shield Ltd. and its two branches being studied in this research. It then provides a detailed discussion on how the research methods adopted in this study contribute to addressing the research questions and collecting data. A range of issues about data collection in practice is also included in this section.

Shield Ltd was established over 25 years ago in Beijing. As one of top five life insurance companies in China, it has already established 35 branches with 246 sub-branches throughout the country, with about 257 thousand employees including approximately 55 thousand back-office employees and 202 thousand individual insurance agents. The company provides a large body of services, ranging from conventional products, as well as the more powerful universal banking and investment related products. At the time of conducting this research, the total assets for Shield Ltd. were more than 160 billion RMB, and the size of the premium income was above 55.6 billion in 2008, which was 70% higher than the average growth rate of the domestic life insurance industry. By the end of 2013, the total assets for Shield Ltd. increased to 565.849 billion RMB, and the total premium income achieved 103.64 billion RMB. The branch investigated in the Haidian district, Beijing was established in the same year as the headquarters and consists of eight sales departments with approximately 640 individual sales agents. The Inner Mongolia branch was founded in 2004 and includes ten sales departments with around 1017 individual insurance sales agents. The figures given by the middle managers were the registered numbers of sales agents, and the managers stated that the number of active sales agents may be slightly less than the official figures.

Shield Ltd. employs a large number of individual insurance sales agents to promote life insurance products directly to prospects. The individual insurance sales agents sign an agency contract, rather than a labour contract with the company, which means that the company does not provide sales agents the basic ‘five insurance and one fund’ that has been provided to back-office employees of the company. Moreover, the basic salary is conditional only when sales agents make a certain amount of sales in a month. The income of sales agents is primarily commission based, with some additional rewards for excellent performance output.

The income of individual sales agents is rather unstable and is largely reliant on the volume of insurance products they sell; therefore, individual insurance sales agents are both motivated and pressured by the current payment system.

Shield Ltd. has grown dramatically in a relatively short amount of time and has made a considerable contribution to the Chinese insurance industry. Moreover, individual sales agents have played an important role in facilitating the development of Shield Ltd., and around half of the total premium income is achieved by them. However, the high turnover of insurance sales agents has always been a problem for Chinese insurance companies. According to the industry report, the thirteenth month retention ratio of individual insurance sales agents is almost 30%, which means that only 30% of individual sales agents work for their company for more than one year. The twenty-fifth month retention ratio is even lower, with a figure of around 15% (Chinese Insurance Regulatory Commission Report, 2010). The researcher could not discover the turnover data of Shield Ltd., but an executive of the company stated that the turnover situation of individual sales agents in Shield Ltd. is not any better than the average. Under this situation, Shield Ltd. attempts to maximise the profitability of the current individual insurance sales agents to ensure that the continuously increasing premium incomes will not be damaged by any negative impact from the high turnover and highly pressured work life of individual insurance sales agents. Therefore, it is necessary to investigate the ways in which the individual insurance sales agents are controlled by the company, in order to maximise the overall income premiums.

4.4.2 Documents

According to Yin (2009, p.103), documents can be used to verify “the correct spellings and titles or names of an organisation that might have been mentioned in an interview”, to provide “other specific details to corroborate information from other sources”, and to make inferences as to “clues worthy of further investigation”. Documentary information is considered as an important object of the data collection plan, because it provides contextual information about the research setting that assists the design of primary data collection methods. Types of documents collected for this study consisted of a range of written materials, mainly including relevant industry reports and company documents. The industry reports, *including* “*Yearbook*

of China's insurance" and *"the development of China's financial service"*, were searched and downloaded from official websites or databases, the Chinese Insurance Regulatory Commission website and the Chinese Economic and Social Development Statistics Database, respectively. These public documents were used to understand the specific context; namely the Chinese insurance industry. Such information is valuable, because it allowed the researcher to analyse and discuss findings generated from other sources by linking to wider socio-economic, political, cultural and historical environments. Moreover, the company documents were collected from both company's official website and through the negotiation with executives and middle managers in the company. These company documents, mainly including the organisational structure, the company regulations of recruiting, promoting, downgrading and dismissing, the job descriptions, the performance appraisal manuals, the operational manuals for morning meetings and the company's events, and special manuals for additional reward programmes, provided useful information to understand the structure, functioning and operations of the company (as suggested by Hartley, 2004).

The information gathered from these documents was used to not only address the research questions, but also to guide the further fieldwork and data collection. Firstly, several forms of control could be identified from the company documents, especially those referring to the formal regulations of the company. For example, the job descriptions and performance appraisal manuals defined the role and performance targets of an insurance sales agent, and the ways in which an insurance sales agent would be rewarded, promoted and sanctioned according to his/her performance results. These formal regulations can be conceptualised as bureaucratic control that relies on formal roles and bureaucratic principles. Moreover, the contents in the operational manual for morning meetings may imply a form of cultural control and/or HRM control, because according to the operation manual, morning meetings should include a range of ritual activities and training programmes. However, the actual ways of conducting this possible management control and the purposes of this management control cannot be fully revealed from the company's written materials. Also, insurance sales agents' attitudes and behaviour under different forms of control cannot be reflected from the data collected from these documents. Therefore, other research methods, the observation and semi-structured interview in particular, were required in order to address the research questions associated with these issues mentioned above. These research methods are illustrated in the following two sections, respectively.

Secondly, the documentary analysis provides an essential guide for applying other research methods. Through careful analysis of these documents before conducting the fieldwork and gathering data, the researcher became more familiar with the research setting and identified several events, regulations and phenomena that could possibly signal management control; for example, the performance management of sales agents, the phenomena of recruiting and establishing sales teams by individual sales agents and events of morning meetings. This information was used to develop proper interview questions with a clear focus and to ensure that the language and concepts adopted in the interview questions would be familiar and understandable to respondents. The interview questions were revised after several observations, and pilot interviews were conducted for the same reasons.

4.4.3 Observation

This research employed observation as an important research method to collect primary data. Some researchers identify the distinction between direct observation and participant observation (e.g., Guest et al., 2012; Yin, 2009). According to Guest et al. (2012), direct observation does not require any interaction between the observer and those being observed by its definition. Therefore, the researcher can use the data collected by well-placed audio or video setup without actually being present at the scene. Guest et al. (2012), however, also comments that it is easier to conduct direct observation in person, because humans are both cheaper and more comprehensive than recording equipment. A human observer can also conduct some informal and casual data collection during the direct observation, for example, asking occasional questions and other forms of interviewing (Yin, 2009). Although there may be some sort of casual interactions between the observer and those being studied, direct observation mainly focuses on observable behaviour in the particular research setting.

On the other hand, participant observation is particularly useful to “get to the root of ‘what is going on’ in a wide range of social settings” (Saunders et al., 2009, p.290). As a qualitative research method, participant observation is widely used in ethnographic research and seeks to discover the meaning attached to people’s actions (Saunders et al., 2009). In other words, it attempts to learn the perspectives held by studied populations (Mack et al., 2005). A key

feature of participant observation identified by Czarniawsha (2014, p.44) is that “observers are doing the same things as the people (or some of the people) they are observing” during the participant observation. Moreover, according to Taylor and Bogdan (1984, p.15), participant observation “involves social interaction between researcher and informants in the milieu of the latter”. Therefore, researchers not only observe informants’ behaviours in particular situations, but they also feel and share their experience by participating in their lives (Gill and Johnson, 2002; Guest et al., 2012; Waddington, 2004). In order to uncover the meaning attached to informants’ actions, the observer also needs to fulfil the role as a researcher to take notes, record voices, sounds, and images and ask questions during the participant observation (Guest et al., 2012).

In addition, Czarniash (2014, p.43) states that “the complexities of contemporary societies increase the difficulty of such traditional techniques of observation, as participant observation and stationary direct observation”. In order to avoid those difficulties, Czarniawsha (2014) stresses the importance of shadowing as a form of nonparticipant observation. According to McDonald (2005, p.456), shadowing is defined as “a research technique which involves a researcher closely following a member of an organisation over an extended period of time”. Shadowing may be easier to conduct than participant observation, because it does not require researchers to act and observe simultaneously. Moreover, using shadowing allows the researcher to maintain “an attitude of outsidership”, but participant observation provides many opportunities for the researcher to be native (Czarniawsha, 2014, p.54). Shadowing contributes to organisational research for a number of reasons. Firstly, data from shadowing is “more detailed than data gathered through many other approaches” (McDonald, 2005, p.457). It provides an opportunity for the researcher to view an individual’s role in an organisation directly, rather than seeing it merely through his/her own account or through another person’s interpretation. Data gathered through shadowing can be more detailed, because the researcher can access information, which is trivial or mundane and difficult to be articulated through shadowing individuals’ organisational lives (McDonald, 2005). Secondly, shadowing allows the individual’s behaviours to be examined in a holistic way, therefore, “actions are contextualised by the running commentary and every opinion is related to the situation which produced it” (McDonald, 2005, p.457).

This study used a range of observational techniques, including direct observation, shadowing, and participant observation, to collect qualitative data relevant to the research questions. However, although distinctions between each observation technique are clearly illustrated above on a theoretical level, the boundary between these observational techniques is rather blurry in real research practice. Observation was appropriate for this research because it provided opportunities for the researcher to become involved in the research setting, to share employees' real working lives and to learn their symbolic world (Delvridge and Kirkpatrick, 1994). The data collected from observations could be of benefit when conducting further interviews by revising the initial interview guide. The earlier interview questions were modified after several observations, regarding the focus of questions and the language and concepts to be used in the interviews. The interview questions were further revised after the three pilot interviews. Moreover, information collected from the observations provided opportunities for the researcher to understand the context of the participants' real working lives and to learn ideas, norms and values shared by participants. This information further assisted the researcher in understanding the real meanings of what interviewees said and how they behaved during the interviews.

As it has been identified from documents, one of the indispensable routines in Chinese domestic life insurance companies is various types of morning meetings. In Shield Ltd., all individual insurance sales agents must attend morning meetings for approximately three hours of a workday. As a result of successful negotiation with middle level managers in this company, the researcher got access to observe and occasionally participate in several morning meetings in both branches, and two evening meetings in the Inner Mongolia branch. The total number of observed meetings was eighteen, and all of the meetings were recorded, with permission, using a digital voice recorder. A sample of the meetings observed is illustrated in the following Table 4.1.

Morning Meetings	Branch	Amount of Meetings Attended by Researcher
Department Meeting #1-#6	Beijing	6
Second Meeting #7-#10	Beijing	4
Business Manager Meeting #11	Beijing	1
Business Manager Meeting #12-#13	Inner Mongolia	2
Department Meeting #14-16	Inner Mongolia	3
Total Number	16	
Evening Meetings		
Department Meeting#17	Inner Mongolia	1
Department Managers Meeting 18	Inner Mongolia	1
Total Numbers	2	

Table 4.1 Sample of Direct and Participant Observation

Accessibility and time availability were the main considerations for determining the sample size. Although the researcher gained permission from middle managers, the permission was conditional on the basis that the observation request was allowed by the department manager as well. A convenience sampling approach was adopted as the major sample strategy for these observations, which saves time and effort. Yet, convenience sampling is criticised as being at the expense of information and credibility. Besides second morning meetings and department manager meetings, other types of meetings were guided by an operation manually developed by the company. Since these meetings were more structured and made reference to the standard procedure, the shortfall of convenience sampling was avoided to some extent.

During the observations of business managers' morning meetings, which usually lasted for about one hour, and department managers' morning meetings, which usually lasted for about three hours, the researcher conducted direct observations by sitting in the back of the meeting room and observing participants' behaviours and facial expressions without having any interactions with the participants. Details worth noticing were written down as part of the field notes. Moreover, the researcher participated to some extent in a number of activities during the department morning meetings, including being involved in group discussions

about particular issues raised by keynote speakers, preparing company events with participants, communicating with participants nearby occasionally and joining in on their daily exercises.

In addition, the researcher fully participated in the second morning meetings held by the insurance sales team leaders. There is no form of rules on how long each second morning meeting should take, but usually team leaders preferred to make it short. The second morning meetings that the researcher participated in were about half an hour each. Since the second morning meetings were more informal and flexible, the researcher had greater opportunity to get to know the participants better and build a good rapport with the participants through informational conversations. The researcher also participated in a number of role play activities in the second morning meetings; the method of using role play is important to help insurance sales agents to develop their communication skills with strangers.

After morning meetings, individual sales agents usually had lunch with colleagues somewhere nearby the company before visiting and interviewing prospective clients. After attending several morning meetings, the researcher successfully built friendly relationships with some of the participants and was invited to have lunch with them. This allowed the researcher to listen to their casual conversations, which reflected their real attitudes about phenomena, events and the behaviour of other insurance sales agents in the company. Interesting points raised during lunch conversations were written as a part of field notes after lunch as soon as possible. According to the field notes, the researcher took note of nineteen lunch conversations.

This research also employed 'shadowing' as a qualitative research method to collect relevant data. Due to the nature of insurance sales work, sales agents go out into the field after their daily morning meetings. Therefore, it is impossible to observe their real work process at the workplace. In order to get to know the sales agents' work activities, the researcher asked participants to describe their daily work in detail during semi-structured interviews, which are discussed in the following section. The work routine and process can be understood through the interviewees' interpretation. Yet, the researcher was not satisfied with only obtaining

information about sales agents' work activities merely through their own descriptions. So in order to get more detailed and first-hand data about sales agents' real work activities, the researcher tended to observe their daily work visually and directly. Based on the rapport with some participants during second morning meetings and lunch times, the researcher asked a number of participants if they would allow the researcher to follow their sales work after lunch. Due to the time restriction, three groups of sales agents were shadowed, and each shadowing lasted about 4 to 5 hours in one afternoon. While travelling between destinations, the researcher also had a casual chat with people being shadowed and recorded the communication with their permission. Yet, when the participants started to communicate with prospective clients or strangers, the recording was paused due to ethical consideration. Brief field notes were taken after each visit. These field notes were organised and further explained in the same day of the shadowing after arriving home. All shadowed individual sales agents were interviewed before or after being shadowed.

There are several benefits of using observation to this study. Firstly, observation before interviewing provides valuable information relevant to both the research setting and research questions, which assist the revision of interview guide. Second, data obtained through observation can be used to corroborate information from interviewing. It also provides opportunities for the researcher to check against participants' subjective interpretation of particular events and behaviours being observed. In the following section, the last research method – semi-structured interview – is discussed in-depth, in terms of the development of interview guide and questions, sampling and real experiences of doing interviews.

4.4.4 Semi-Structured Interview

Interviews are widely used in business and management and other fields of the social sciences, as a means of collecting data. Interviews are generally used for conducting qualitative research, which usually refers to “face-to-face verbal exchanges in which one person, the interviewer, attempts to acquire information and gain an understanding of another person, the interviewee” (Rowley, 2012, p.260). The interviewer may require the interviewee to talk about their own attitudes, beliefs, behaviours or experiences toward particular

phenomena or events which they are involved in. According to Rowley (2012, p.262), interviews can be useful when:

- The research objectives centre on understanding experiences, opinions, attitudes, values and processes.
- There is insufficient information known about the subject to be able to draft a questionnaire.
- The potential interviewee might be more receptive to an interview than other data gathering approaches.

Given the nature and research questions of this study, the first two criteria were met, because this study sought to understand management control practices from interpretations of participants' own attitudes and behaviours. Moreover, management control over individual insurance sales agents' labour processes in China's insurance industry has been rarely investigated, so there was not sufficient knowledge and information to develop a questionnaire. Therefore, the qualitative research interviews were adopted to gather and understand subjects' point of view from an interviewee. Kvale (1983, p.174) defines the qualitative research interviews as "an interview, whose purpose is to gather descriptions of the life-world of the interviewee with respect to interpretation of the meaning of the described phenomena". With qualitative research interviews, the researcher attempts to understand something from the subjects' point of view and reveal the meaning of their experiences. It allows interviewees to convey a situation to others from their own perspectives with their own words (Kvale, 1996).

Qualitative research interviews can be semi-structured and/or in-depth interviews, with the aim of gathering information related to the research topic from the perspective of the interviewee, and to understand why and how the interviewee holds that particular perspective (King, 2004a). In order to fulfil this goal, King (2004a) suggests that the researcher normally imposes a low degree of interviewing structure, asks open questions and focuses on "specific situations and action sequences in the world of the interviewee" (Kvale, 1983 cited by King, 2004a, p.11). This implies that although qualitative research interviews are less structured,

they have a clear purpose defined and controlled by the researcher during the interviews in order to uncover specific issues (Kvale, 1996).

Semi-structured interviews are a common type of interview that allows interviewers to change the direction and the pace of the conversation if interviewees come up with something relevant or a new perspective that could further enhance the researchers' understanding (Bryman and Bell, 2003). Detailed information could be acquired by means of a face-to-face interview; or body language could be observed to assist understanding of the connotative information (Blumberg et al., 2005). Researchers who attempt to conduct semi-structured interviews usually have an interview guide that centres on several well-chosen and well-phrased questions to be asked mostly in a set order. Yet, the researcher may deliver these questions flexibly in terms of question forms and order, add some follow-up and probing questions according to the responses from the interviewees, and ask interpreting questions to make sure that the meanings of the interviewees' answers are understood correctly (Kvale, 1996; Rowley, 2012). Data collected from semi-structured interviews should not only answer the questions of "what" and "how", but also help draw attention to the exploration of "why" (Saunders 2009, p.313). These characteristics were well suited with the nature of this study; therefore, more comprehensive information might be obtained by having personal interviews with the people being studied.

This research used multiple sampling strategies to form the sample interviews. In both the Beijing and Inner Mongolia branches, the researcher used the convenience, snowball sampling and the quota sampling for several reasons. First, the convenience sample involves "selecting haphazardly those cases that are easiest to obtain for your sample" (Saunders et al., 2009, p.241). In this case, the participants were selected according to their availability, because most insurance sales agents leave the workplace immediately after morning meetings to conduct their sales work. Time is valuable for them, because the morning meetings have already occupied much of their time. Therefore, the researcher selected participants who did not urgently leave the company and were willing to take part in the interviews. Second, snowball sampling was also applied as a sampling strategy in this study in order to access potential interviewees relevant or interested in this study. The sample was expanded by asking one informant or participant to recommend others who would be willing to be

interviewed (Crabtree and Miller, 1992). Since individuals who work in the same insurance sales department or at least within a sales team are familiar with one another, it is possible to ask them to introduce others in their team or from other teams. Third, in order to obtain variation in the responses from a reasonable proportion of participants, quota sampling was carried out. Participants were chosen from back-office employees, managers and executives, team leaders and individual insurance sales agents to make sure that there was a variation in the responses. Moreover, due to the different total number of people in each position, the researcher attempted to control the proportion of participants to a reasonable level. The sample of semi-structured interviews is illustrated in table 5.2 as follows:

Interview	Branch	Position	Numbers
Interview #1	Beijing	Executive	1
Interview #2	Inner Mongolia	Executive	1
Interview #3	Beijing	Department Manager	1
Interview #4-#5	Inner Mongolia	Department Manager	2
Interview #6	Beijing	General Manager	1
Interview #7	Inner Mongolia	General Manager	1
Interview #8-#9	Beijing	HR Staff	2
Interview #10-#11	Inner Mongolia	HR Staff	2
Interview #12-#13	Beijing	Business Manager	2
Interview #14-#27	Beijing	Customer Manager	14
Interview #28-#35	Inner Mongolia	Business Manager	8
Interview #36-#55	Inner Mongolia	Customer Manager	20

Table 4.2 Sample of Semi-structured Interviews

Since this study used the semi-structured interviews as a means to collect qualitative data. An interview guide was developed before conducting the observations and interviews. The initial interview guide included two sets of specific questions prepared for individual sales agents and managers, respectively, based on the initial research questions and previous literature.

The interview questions were open-ended, because this kind of question permits an iterative process of refinement, “whereby lines of thought identified by earlier interviewees could be taken up and presented to later interviewees” (Beardsworth and Keil, 1992, p.262). Moreover, the researcher also developed several probing questions for each specific question.

Before conducting the interviews, several observations and three pilot interviews were done. Based on the preliminary findings, various forms of management control were noticed, including surveillance. However, since the evidence relevant to surveillance was not so considerable, significant and new insight related to a wide range of concepts of management control appeared. Therefore, the initial research topic was changed from surveillance to management control. Accordingly, the interview questions to be asked in the following interviews needed to be reconsidered. Surveillance itself is a particular form of management control, and in order to avoid using contentious and sensitive terms in the interviews, the terms of surveillance and monitoring were replaced by performance management in the initial interview questions. Therefore, there were few changes in the language used in the interviews, but the number of questions particularly associated with surveillance activities was reduced because they were less significant in the company. In addition, some more questions were developed in order to understand the meanings of new phenomena and issues that appeared in early observations and pilot interviews; for example, questions regarding the participants’ attitudes on morning meetings and relationships with customers, managers and colleagues within or outside their sales teams etc. The revised interview questions can be divided into sections, which are shown in Appendix A.

Questions in the first section referred to general questions, aiming to get basic information about interviewees including length of the work, current post in the company and previous working experience, which is useful for contextualising answers for other specific interview questions. Questions in section 2 aimed to clarify the content of work as insurance sales agents and reveal possible forms of control used by the company over individual sales agents. Moreover, questions in section 3 dealt with the possible forms of control operated within the context of individual sales teams. Questions in section 4 and section 5 focused on exploring possible influences of possible forms of control identified in answers of earlier questions on individual sales agents and sales teams. These questions aimed to show how attitudes and

behaviours of individual sales agents can be changed under control in the context of the sales teams. According to the unexpected information that appeared from observations and pilot interviews, questions in section 6 and section 7 were designed for collecting more data about morning meetings and the relationship between sales agents and customers, respectively. These questions also aimed to reveal feelings and attitudes of individual sales agents on morning meetings and customers, which could further explore how these feelings and attitudes can direct individual sales agents' behaviours. It should be noted that not all interviewees were asked questions in section 6 and section 7, since many of them had already mentioned such information quite sufficiently in other answers.

In conclusion, this broad section provides an in-depth account of data collection. It firstly introduced the background information about the studied company. Then it showed that the documentary information was an object of data collection plan for the contextual information it provided, which not only assisted the design of other data collection methods, but also corroborated information from other sources and made inferences. The lists of documents were collective, and how these documents were used was discussed as well. Moreover, the nature of a variety of forms of observation was discussed in detail, and ways of conducting different forms of observation were explained according to the real experience. Last but not least, this section provided discussion on the approach of semi-structured interview and described the way of sampling, the number of interviewees and gradually developed interview questions as an interview guide. The next section deals with the issue of data transcription, the approach to coding and the approach to data analysis; which is then followed by an account of the methods of data collection.

4.4.5. Ethical Issues

Ethical issues are inextricably interwoven into many processes of qualitative research, especially data collection and data interpretation. Mack et al. (2005) point out that research ethics refer to the interaction between researchers and the people being studied. Based on established ethical principles, it can be ensured that researchers consider the needs and worries of research participants, that a proper place to conduct research is taken and that trust between researchers and participants is established. Widely accepted ethical principles are derived from "the Belmont Report" involving, "respect for a person's beneficence", "justice" and "respect

for communities”. Followed by those fundamental principles, informed consent is viewed as an important tool to fulfil ethical consideration, which is “a mechanism for ensuring that people understand what it means to participate in a particular research study so they can decide in a conscious, deliberate way whether they want to participate” (Mack et al., 2005, p.9). The informed consent for qualitative research can be achieved through both written consent and oral consent. The informed consent for this study was achieved through oral consent, as there were no signed consent forms.

Before conducting non-participate observation, the researcher informed the district manager and department managers of the purpose of this research and what I would be doing during observation of the morning meetings. The non-participate observations were only done in departments where their department manager accepted the observation and digital recording requirement. During the observation, the researcher’s identity and purpose were also revealed to participants in morning meetings. For the participant observation and shadowing, the researcher also stated their identity and purpose openly to the participants. In order to maintain confidentiality during observations, all participants’ personal information released in various forms of observation were protected by using only codes or fake names in the transcription.

Similarly, the researcher also informed consent orally by explaining the purpose and general procedure of the interview, and by introducing the background information of the study to participants. The researcher also informed the participants that the confidentiality of the interview would be protected, and any information about the participant would not be revealed in any situation, including their conversations with other participants. The participants were free to choose if they would like to participate in the study, so it was completely voluntary. During the interview, the researcher encouraged participants to express themselves without any purposeful misleading, and they could withdraw the interview at any time if they felt uncomfortable. Overall, this research can be considered as ethical, since it respects people who participate in the study that present no harm to participants’ normal life.

4.5 Qualitative Data Analysis

As Silverman (2011) points out, quantitative data is easier to be analysed, as it usually shows a sets of numbers and the meaning of data can be seen from statistical tests available from the numbers. By contrast, the analysis of qualitative data can be difficult, because rather than a relatively settled consensus about good quality of quantitative data analysis, there is a range of competing approaches guiding the qualitative data analysis (Silverman, 2011). No matter which qualitative data analysing method is chosen, a major task for the qualitative researcher is to generate or refine ideas, themes and concepts during data analysis, which further make sense of the meaning conveyed by the data (Neuman, 2014). This section mainly presents the process of qualitative data analysis. Before qualitative data collected from observations and semi-structured interviews can be analysed, the digital recorded interviews and observed morning meeting needed to be transcribed and partly translated from Chinese to English. The process of transcription and translation is described firstly in this section. The second part of this section deals with the particular technique – namely template analysis – adopted by this study to analyse the qualitative data that has been collected and transcribed. Finally, this section provides an account of coding methods, which form the themes and categories for template analysis.

4.5.1 Transcription and Translation

As it has been discussed in previous sections, the data consists of textual data collected from documents and field notes for various forms of observations, casual conversations and semi-structured interviews and audio data recorded from meetings, casual conversations and semi-structured interviews. Before the audio data can be analysed, it has to be transcribed into text. The researcher began transcribing as soon as the first interview was finished. A transcription kit was adopted to accelerate the process. The transcripts are all in Chinese, as the casual conversations, meetings and interviews recorded are in Chinese. Although the transcriptions are in Chinese, related concepts, theories and themes that have been reviewed and used for this thesis are in English, and this thesis is written in English. Therefore, it is easier to use English to code the data and it is better to conceptualise data and form or refine concepts and themes based on English codes. However, not all transcripts have been translated into

English. Since the researcher is bilingual in English and Chinese, it is both possible and time saving to code the Chinese transcripts in English directly. Some of transcripts have been translated into English for the purpose of discussing the coding and analysis details with the supervisor to improve the quality of the research.

Regarding the translation issue, an ‘equivalence paradigm’ is highlighted by Chidlow et al. (2014) after reviewing a number of cross-language international business research studies. According to Chidlow et al. (2014) the translated text in the target language should be equivalent to the original source-language version. In order to achieve this equivalence between source- and target language, a back-translation technique is advocated by both quantitative and qualitative researchers. However, some other scholars criticise the back-translation technique for the potential risk of encouraging “a spurious lexical equivalence” (Deutscher, 1973, p.167) and for its insufficiency as a sole technique to improve the quality of cross-language research (Brislin, 1970).

However, the focus has been shifted away from equivalence to contextualisation in translation since the 1980s. There has been an increasing emphasis on contextualising translation, notably skopos theory (Reiss and Vermeer, 1984) and culture politics (Venuti, 1993, 2008). Translations for this study are guided by the skopos theory, which views translation as “a form of communicative interaction (e.g., Snell-Hornby, 1988), rather than a narrow linguistic transfer” (Chidlow et al., 2014, p.573). According the skopos theory, translation is an interpretive and hermeneutic activity with communicative purpose. The cultural level of the text is more fundamental than its linguistic feature and the nature of meaning is ultimately culture, so when the meaning is transmitted from one culture to another, the value of the meaning changes. Therefore, rather than focus on the source text, skopos theory emphasises the role of the translator who ‘brings to bear his/her own worldviews and experiences, translational norms and preferred strategies, understanding of the source and target culture, and perceptions of the translational situation (Chidlow, et al., 2014, p.574).

For this study, the transcriptions have not been translated word for word, rather the translation aims to interpret the meaning of source text, given the consideration of cultural issues based on the knowledge and understanding of the researcher. Therefore, the translated transcription may not be as long as the original text. Moreover, this study also did not use an independent translator to do the back-translation; rather it used peer reviewers to ensure the quality and trustworthiness of this qualitative study. Both reviewers are Chinese who are doing PhDs in the UK. They are familiar with Chinese culture and have general background knowledge about China's insurance industry and they are bilingual in English and Chinese. The researcher showed them several copies of the transcripts and corresponding translations and asked them if the transcripts and translations had equivalent meanings. Moreover, the researcher also asked them to translate parts of the transcription and then compared their translation with the one translated by the researcher. The translated transcripts and the codes for them have been discussed with my supervisor, this has guided the coding for the following Chinese transcripts.

4.5.2 Qualitative Data Analysis and Coding Techniques

As it has been suggested by Silverman (2011), it would be better to begin analysing the data as early as possible in order to avoid 'busy' work, since the data collection and transcription can be time consuming. The researcher started coding as soon as the first transcription was done. According to Neuman (2014: 480), qualitative data is usually analysed by "organising data into categories based on themes, concepts, or similar features" (Neuman, 2014, p.480). By doing so, new concepts may be developed, conceptual definitions may be formulated and the relationship among concepts may be examined. This study adopts a "template analysis" approach to guide the thematic analysis of qualitative data. According to King (2004), the "template analysis" does not refer to a single, clearly defined method, rather it involves a range of techniques of organising and analysing textual data thematically. One of the reasons that researchers may choose template analysis over other approaches is their philosophical position. King (2004) suggests that those who adopt a contextual constructivist stance may prefer to use template analysis, for it is more conducive to such position. On the other hand, some researchers prefer a template analysis, because it is a more "flexible technique with fewer specified procedures, permitting researchers to tailor it to match their own requirements" (King, 2004, p.257). This study uses the template analysis for both reasons.

A template refers to attaching units of data under categories developed prior and during the analysis. Themes, patterns and relationships between categories and data attached to them are identified and explored during the process of coding and analysis. The template will be subjected to a number of revisions as new themes, categories and relationships among them are identified during the process of data collection, coding and analysis. Therefore, the level of codes may move up or down in the template hierarchy. The difference between grounded theory, which is a widely used method to analyse qualitative data, and template analysis is also distinguished by King (2004). Grounded theory, on one hand, is a more purely inductive analytical approach, which does not use any prior specified codes to analyse data. Moreover, grounded theory is more structured, as it follows a set of specified procedures. On the other hand, template analysis promotes a more flexible route to analyse data, which allows researchers to amend its use to fulfil the needs of their own project.

Codes and categories are organised in a template to show the hierarchical relationship among them in this analytical process. Before a template analysis can be applied, raw data has to be coded. Coding is an important part of data analysis, which allows the raw data to be organised into conceptual categories and themes or concepts. According to Mile and Huberman (1994, p.56), “codes are tags or labels for assigning units of meaning to the descriptive or inferential information compiled during a study”. By coding the raw data as chunks of varying sizes – words, phrases, sentences or whole paragraphs – connected or unconnected to a specific setting, researchers can think at a higher level of theory and generalisations, rather than becoming entangled in the details of raw data (Mile and Huberman, 1994; Neuman, 2014).

This study uses coding method derived from grounded theory. Three types of qualitative data coding identified by Strauss (1987) are used to guide the process of coding and template analysis for this study, namely open coding, axial coding and selective coding. The open coding refers to the first pass through collected data which helps to condense data into preliminary analytic categories or codes. The open coding focuses on the actual data and assigns code labels for themes (Neuman, 2014). The researcher simply highlighted words, sentences and/or paragraphs regarding critical terms, central people, key events, or themes in

transcripts and wrote codes and short notes in English beside the text, no matter whether the transcript was in Chinese or English. Two copies of coding examples for a morning meeting and an interview are shown in Appendix B and Appendix C, respectively. Different from the grounded theory, this study specified several key themes/categories, particularly “forms of control”, “effects of control” and “attitudes on control” etc., based on the research questions, but the researcher kept her mind open for additional codes and themes as well. When reading transcripts, the researcher asked herself questions like, “is it a form of control or is it implying a form of control?” “Why is it?” “How do people feel about it?” and so on in order to remain a clear analytical focus during coding. Then the codes were organised and linked with each other attaching to per-defined categories and finding out additional key analytic categories. This was the second pass of coding of qualitative data, called axial coding. In this stage, attention was paid on making connections among themes identified during open coding and elaborating concepts represented by the themes.

Moreover, additional codes and themes were also identified during open and axial coding and the repeated ones were listed. Literature reviews relating to these themes were done to support the further template analysis and revised initial research questions. For example, the relationship between sales agents and customers were not considered to be a sub-theme under the effect of control, but after several attempts at open coding, the research managed it as a sub-category and began to review the literature on the relationship between service workers and customers, as well as the triangle relationship between service workers, managers and customers.

A template was developed after the first and second pass through the raw data. This initial template contains a range of codes ranked either hierarchically or paralleled, which further guided the following data coding and analysis. Due to the flexible feature of the template analysis, the template may be revised continually until all data have been coded and analysed. This process involves the third pass through the data, named selective coding, which scans “all the data and previous codes, looking selectively for cases that illustrate themes, and linking comparisons after most or all data collection has been completed” (Neuman, 2014, p.484). The initial template was subjected to a number of revisions including deleting the category of surveillance and refining the relationship between sales agents and the relationship between

sales agents and customers at a higher level in the template. The final template consists of key contents, which are hierarchically organised and the findings are presented according to this template.

CHAPTER FIVE

FINDINGS: MANAGEMENT PRACTICES AND MANAGEMENT CONTROL

Given the background study of China's life insurance industry in section 3.7, there are several key features of life insurance companies in China that influence and/or are influenced by management practices in a company. First, the very fast development of China's life insurance companies since the 1990s is largely dependent on a human sea tactic of using huge numbers of individual life insurance sales agents (sales agents, hereafter). As a result, China's life insurance companies have overly emphasised the expanding size of their sales force, but less attention has been paid to recruiting high-quality salespeople and providing sufficient on-the-job training, etc. This has led to the second feature of China's life insurance industry, which is that it has a relatively low reputation that is mainly caused by misleading and cheating activities that unskilled and unprofessional sales agents have carried out during the sales process.

The low reputation of the life insurance industry has brought a number of difficulties to both the sales agents who promote the insurance products to the public and the insurance companies who manage their sales forces. The public usually holds a rather negative image of life insurance sales agents and has some levels of misunderstanding regarding the life insurance industry and insurance products. So, sales agents are currently pressurised not only by rigid sales targets set by the management, but also by the potentially abusive and irate clients who have a negative opinion of the insurance salespeople or the industry. The stressful sales tasks and the burnout from dealing with irate customers further result in a very high staff turnover. In order to expend the business and maintain a healthy growth, most life insurance companies in China, including Shield Ltd., not only seek to increase individual sales agents' sales performance and enlarge the total sales forces, but they also seek to reduce the turnover of their current sales agents.

This chapter focuses on identifying the forms of control that are embedded in a variety of management-initiated practices and elaborate on the purpose of these controls based on the

primary data that has been collected from observations and semi-structured interviews as well as secondary data from the company's formal written materials and industry reports. The particular historical and social context of the studied company and China's life insurance industry is considered and discussed as an influential factor for applying the forms of control identified in the data. This chapter is divided into five sections. The first section describes the commission based payment systems that mainly consist of commission payments and a range of rewards and bonuses. Then this first section discusses the output controls and normative controls that are embraced in such commission based payment systems. The second section deals with constant performance appraisals and evaluations, a desirable working rhythm that is implied in the performance appraisals and revelations. The performance appraisals and working rhythm are further discussed as forms of bureaucratic control and disciplinary control. The third section discusses the career paths of the sales agents and the bureaucratic control that is implied in this regulation. The fourth section deals with management controls – including the direct control that is conducted by team leaders and the concertive control based on peer pressure – that has been identified in the insurance sales teams. The last section examines the functions of various morning meetings and how these morning meetings operate as a form of control.

5.1 Commission Based Payment Systems and Management Control

Most life insurance companies in China do not offer their individual insurance sales agents basic salaries or social security, and Shield Ltd is no exception. Sales agents who work for Shield Ltd are mainly paid commission fees and additional rewards associated with their sales performance and bonuses available for managing sales teams and/or departments. Therefore, the commission based payment system in Shield Ltd includes the basic commission payments plus a range of bonuses and rewards. This section focuses on controls that are embedded in management practices that are associated with this commission based payment system. First, it introduces two different forms of commission payment. Then, it introduces several rewards and bonuses as well as the key purposes of using these rewards and bonuses. Finally, this section articulates the forms and purposes of control that are identified from the commission based payment system.

5.1.1 Commission Payments

There are two main kinds of commission: the first year commission that indicates the sales agents' ability to get new clients, and the renewal commission that shows the sales agents' ability to maintain their existing clients. The first year commission is equal to the first year valid premium times the first year commission rate. The first year commission rate may differ for different insurance products, but normally the rate ranges from 20 to 30% of the total first year valid premium. The first year valid premium is an important indicator in deciding whether the sales agents will pass their quarterly performance appraisal. Specific performance targets set by the company are actually the amount of the first year valid premium over a certain period of time. This first year valid premium refers to the first payment that is made by a new client. Improving the total amount of the first year valid premiums is important to both the sales agents and the company. For the sales agents, it is directly linked to their income and their qualification to get specific rewards, especially for newcomers who do not have much renewal commission and for those who have been unable to maintain a certain level of renewal commission. For the company, the amount of the first year valid premium indicates a seller's ability to get new clients, and thus, the expansion of the business.

The renewal commission is equal to the renewal premium times the renewal commission rate. The amount of the renewal commission depends on the sales agents' ability to ensure that their existing clients keep paying premiums: the more consistently they get the premiums, the higher the income they achieve. The maximum renewal commission rate can reach 17% if a sales agent can maintain at least 95% of the premiums that they received in the same month of the previous year. However, if the persistency ratio is lower than 80%, when compared to that of the same period in the previous year, the sales agents cannot attain any renewal commission. Therefore, the renewal commission indicates a sales agent's ability to maintain their existing clients.

For some sales agents, especially for those who have been in the company for over one year, the renewal commission can be seen as a variant of a basic salary and a secure income. This renewal commission is only available to sales agents who have worked for the company for

more than a year, and it benefits those who have shown a relatively good performance in previous year(s). A high level of renewal commission may effectively reduce employee turnover and increase the retention rate of the sales agents. Although there is no sufficient data to test the interrelationship between renewal commission and retention/turnover rate, it can be concluded from the interview data that the sales agents who have a low renewal commission may be more likely to leave the company. For instance:

“The first year is crucial, as your renewal commission depends on your performance in the first year... many sales agents have to leave the company if they do a poor job in their first year... insurance sales work is stressful and you cannot make sure you have enough new contracts every month, that’s why the renewal commission means so much to us ... if you do well in the first year, then you may feel less stressed in the following years”. (Interview no. 38, Customer Manager)

The quote above implies that a productive first year as insurance sales agents can potentially help the sales agents to survive in this stressful job more easily, therefore, their employment status could be more stable. An insurance contract usually involves the client paying a premium consistently for many years (usually over ten years), unless the client wants to pay a huge amount in a single payment once, which has rarely happened. If the sales agents can make sure that their clients keep paying the premium, they will receive an income once a year until the contract ends.

5.1.2 Rewards and Bonuses

There are various kinds of rewards and bonuses available for the sales agents. The rewards can be financial rewards and/or non-financial rewards that are usually associated with the individual sales agents’ sales output. On the other hand, bonuses are mainly offered to sales agents who have already established a sales team. The amount of this bonus depends on the sales agents’ position in the hierarchical structure and the total performance of their sales team. The purpose of this bonus is discussed in section 5.3 that emphasises the career paths and hierarchy within the company.

First, financial reward mainly includes monetary rewards, free gifts and family trips. The financial reward schemes vary in different branches and are changed frequently to maintain the interest of the salespeople. Based on the current goals at a branch level or company level, the criteria for getting a particular reward are also different. For example, at the Inner Mongolia branch, the management sets a 10,000 RMB premium sales target for each month; if the sales agents meet this target in the first ten days of a month, then they get 1,000 RMB as an additional bonus. Moreover, if they meet a target of 5,000 RMB in the following ten days of that month, then they will receive a domestic appliance, such as a vegetable washing machine or a hair dryer.

Second, non-financial rewards usually refer to the opportunity of attending conferences, becoming a member of elite groups and being educated at leading universities. In some cases, the financial incentive cannot effectively motivate some sales agents to improve their figures, especially those who have worked for the company for a long time and have a stable income based on their renewal commissions. This argument is confirmed by a department manager who said that:

“Senior agents are not sensitive to our financial rewards...for this month, the amount of monetary reward is 1,000R MB for those who receive 10,000 RMB first-year premiums, but a lot of senior business managers can get over 20,000 RMB in income from their renewal commissions. So they are not highly motivated by the small monetary reward. They work more flexibly and don’t always stick to our performance targets: some of the senior workers in my department only sell one or two insurance policies [a month], just to ensure that they do not get demoted. But they are crucial assets for the company because they have the potential to sell more insurance policies.” (Interview no. 5, Department Manager)

The assurance of a stable income allows senior sales agents to care more about their personal life and be less sensitive to financial incentives. As a result, the management tends to use other incentives to continuously encourage them to dedicate time and improve their

performance targets. One of the control strategies is to improve the professional and elite status of these agents.

For example, the management awards the title of “star salesperson” to those who achieve an outstanding performance target and puts their names on the wall in the hall or in their department. This is a crucial reward for these senior employees. For example, a business manager said:

“If you are a senior member, like me, you don’t care so much about those one or two thousand [RMB], but you do care more about your reputation and a sense of honour and how other seniors think of you... self-esteem is the main reason for me to work hard and become a star salesperson.” (Interview no. 32, Business Manager)

Another business manager made a similar declaration:

“I have been in the star position for years...this is quite important for me because I can convince my team members and potential recruits more easily if I’m good at this job ... A good title will increase your status in the company, and others will show you more respect ... but if I cannot stay in the star position, I feel ashamed in front of other seniors.” (Interview no. 34, Business Manager)

Being known and praised as a star salesperson by others is a major factor that keeps senior sales agents competing with themselves and maintaining themselves as outstanding sales agents. In order to stay at the top of the ranking table and maintain the admiration of others, some senior sales agents are more self-disciplinary of the sale of more insurance and the pursuit of higher first year commissions, even if some senior sales agents are already well-paid by their renewal commissions.

For another example, in order to lift the sales agents' professional and elite status, the company also provides those with an outstanding performance the opportunity to join global institutions or elite groups, such as the International Dragon Award (IDA). By receiving the membership of this kind of institution or group, the sales agents can participate in a range of exclusive activities, such as attending international conferences and travelling around the country or abroad, allowing them to show their competence and identity as a professional and outstanding insurance sales agent. The minimum requirement for an IDA membership is at least 120,000 RMB FYC (First Year Commission) with at least 36 new insurance contracts per year. A department manager said,

“It [the minimum requirement for IDA] is realistic for every sales agent, and many of them are qualified for this membership... this [IDA] is the highest honour in the financial insurance sector for Chinese sales agents worldwide ... if you join the membership, it allows you to attend the annual worldwide Chinese life insurance congress and learn from top insurance elites from different countries ... that is a unique experience that may give you brand new insights into what you are doing.” (Meeting no. 4, Beijing Branch)

Holding an IDA membership makes sales agents feel distinguished from others and potentially increases their perception of possessing a higher professional status. A business manager expressed the following:

“Having this [IDA] means I’m a very professional sales agent; I’m really honoured that my efforts and achievements are acknowledged by a worldwide insurance association ... I want to prove that I’m really qualified and able to go further.” (Interview no. 14, Business Manager)

Moreover, the company also provides top sales agents with the opportunities to become educated and trained at universities. For example, the opportunity of completing a financial planner course in a leading university is available for sales agents who have continuously met

the outstanding monthly sales target for a year. If sales agents pass the exams, they will receive the financial planner certificate and they will be recorded in “China’s Talent Pool”. This could facilitate a self-perception of being a professional and it could fulfil their desires for dignity and a better reputation. An interviewee expressed why she wanted to have training courses at a university,

“Our work is consistently undervalued and misunderstood by the public and customers all the time; this makes some agents, especially the new agents, question this industry and the company...but the opportunity to be educated in good universities shows our sales agents that the company must be good too... if I can have this opportunity, I think I’ll be more confident about myself because I’ve been to university. Although it is a short-term scheme, it is still higher education.” (Interview no. 39, Customer Manager)

Therefore, many sales agents aim to become members of elite groups or be educated in universities, because they want to improve their sense of security in their identities as professional insurance sales agents. By constructing and maintaining a collective identity, either in the company or the occupation, the sales agents potentially protect themselves from the uncertainty, anxiety and pressures that emerge from their interaction with irrelevant prospective clients and stressful sales work. As a result, sales agents, especially the senior ones, are likely to put more effort into increasing or maintaining a certain level of sales performance to retain their membership of an elite group. The key purpose of doing this is to secure their occupational or company identity by improving their professional and elite status and reduce the likelihood of gaining a poor reputation.

5.1.3 Output Control and Normative Control

Two forms of control that are identified in commission payments and rewards were discussed in the preceding parts of this section. The first form of control is an output control. Similar with other forms of sales work, Shield Ltd uses a considerable financial weapon to control individual insurance sales agents’ sales output and turnover. This output control that is found

in Shield Ltd is mainly based on monetary incentives in terms of a commission payment and considerable financial rewards that are associated with the workers' sales results. This finding supports the argument of Frenkel et al. (1999) that control in sales organisations is mainly related to output. This output control is quite similar to incentive wages that are based on the piece-rate schedule, as discussed by Taylor (1911).

Different from Taylor's scientific management, sales organisations offer sales workers considerable autonomy and control over their working process (Frenkel et al., 1999). It has been suggested by Korczynski (2002) that human resource management may play a peripheral role in sales work. There are two key reasons for this possible managerial vacuum. The first reason is that the sales workers are given a lot of discretion on the way that they do their work since their selling process is too difficult to be monitored by the management. The second reason is that the sales agents' employment and payment security would be threatened if they could not meet certain sales targets. In this situation, management intervention may not be necessary since the sales agents pursue job security and enough income. As a result, at a theoretical level the sales agents would be highly motivated by the attractive financial compensation that is related to their sales output and become more self-controlled. However in real situation, the management of Shield Ltd uses other forms of control that are discussed in the rest of this chapter.

On the other hand, the coercive output control driven by financial incentives also has normative aspects. Having some renewal commission as the basic salary possibly relieves painful financial struggles and stress from an unstable income. This may further contribute to increase the sales agents' retention rate. Therefore, the company encourages the sales agents not only to get more clients and more first year premiums, but also to keep these clients continuously paying the premiums throughout the following years.

The persistency ratio is largely dependent on the service quality that the sales agents deliver to make their clients not only satisfied with the insurance products that they have purchased, but also satisfied with the service that has been provided by the sales agents. Based on the knowledge of Korczynski's (2000; 2003) studies on front-line service work and the real

situation in Shield Ltd, an argument can be made as follows: clients can be satisfied not only through being sold the most proper insurance product, but also through consuming the enchanting myth of sovereignty during their interactions with the sales agents. Thus, a customer-oriented value is implied in the renewal commission and a persistency ratio. In addition, the renewal commission and persistency ratio also subtly suggest that the sales agents may need to build up good ongoing relationships with their existing clients, which may make it easier to keep them paying the continuous premiums. The relationship between the sales agents and clients is further discussed in Chapter 6.

The second form of control is more informal. A form of normative control that can be identified in some non-financial reward schemes that have the potential to influence the sales agents' identity, such as having the opportunity to become a member of an elite group or to be educated at leading universities in China. The management tends to construct a collective identity of the sales agents by encouraging them to gain their membership of an elite group or to pursue a rare reward that can show their capability and competence. This collective identity could help the sales agents to overcome the negative feelings that emerge from dealing with irate customers and stressful sales work because these rewards potentially increase their elite and social status. Therefore, the non-financial rewards rolled out at Shield Ltd could potentially influence the sales agents' identity in both the company and their occupation.

5.2 Performance Appraisals, Working Rhythm and Management Control

The company constantly appraises and evaluates the sales agents' sales performance. Based on the result of each performance appraisal, the sales agents are given particular rewards, prizes, as well as sanctions. This management practice implies a desirable working rhythm that influences the sales agents to standardise their working procedure and process. Firstly, this section describes the managerial practices that are related to performance appraisals. It also discusses what the desirable working rhythm is, and how it can be formed through performance appraisals. Secondly, this section elaborates on the disciplinary control and bureaucratic control that has been identified in performance appraisals and the working rhythm.

5.2.1 Performance Appraisals and the Working Rhythm

Although sales agents in Shield Ltd have a degree of autonomy and discretion with their selling process, they do not freely decide on the sales targets that they would prefer to achieve. All of the sales agents need to meet the monthly sales targets (amounts of the first year valid premium) that are imposed by the company in order to pass the formal quarterly performance appraisal or get particular rewards. According to the company's regulations, the minimum premium sales target is 3,000 RMB per month and the excellent premium sales target is 8,000 RMB. The agents' sales performances are assessed quarterly; failure to satisfy the minimum requirement in the performance appraisal can lead to demotion or even dismissal. Additional rewards or bonuses may be granted to those who achieve the outstanding performance target depending on the policies of the local branches.

Local branches or departments usually pursue higher performance standards than the ones given by the company and appraise its sales agents more frequently. Local branch managers tend to increase the total performance of their branch as much as possible in order to have the opportunity to attend international insurance conferences, travel overseas for free, gain more annual bonuses, and/or get promoted to a higher administrative position. Besides the branch managers' own interests, setting a higher target may also benefit the sales agents. Both the studied branches in Beijing and Inner Mongolia imposed sales targets beyond the company's standard level; for some sales departments, their targets are even higher than their branch's requirements, as was mentioned by an executive:

"We need to push them [sales agents]. Achieving the minimum sales target means that you can earn about 900 RMB which is far from enough to cover your living cost. We need to push them to achieve higher sales results and gain more income and I think it [setting higher sales targets] works well. It is good for both sales agents and our company". (Interview no.2, Executive)

He also mentioned that:

“They [sales agents] pursue higher targets, but sometimes, the minimum sales target is the level they can achieve. This is not so bad because they at least can pass the company’s performance appraisal and keep their current position”. (Interview no.2, Executive)

Since sales agents are either encouraged or pressured to pursue higher performance targets within their branch or department, they tend to dedicate more time to sales work. Another department manager said:

“Our branch has a higher target of 5000 RMB. Sales agents who achieve this target would be orally praised and their names will be written on the whiteboard in their department. By doing so, the sales agents may be more likely to obtain the minimum sales targets and pass the basic performance appraisal”. (Interview no.3, Department Manager)

The quotes above reveal the managers’ interpretations of setting higher sales targets for the sales agents as it may potentially help the sales agents to pass their performance appraisal, maintain their current position and secure a certain level of income, since even if they cannot meet the higher performance target, they can at least pass the lower standard performance target. On the other hand, the potentially improved sales performance can also increase the profit of the company.

In addition, the more challenging performance target is usually fragmented into several short periods, such as every 10 days, every week or even every day; the management provides attractive rewards for achieving each performance target. It has been claimed by managers that by breaking higher performance targets into pieces and assessing them frequently, the company can assist the sales agents in building a good “working rhythm”. Moreover, a good working rhythm has been acknowledged by the company as a crucial element in improving the sales agents’ performance because it can develop good habits and routines in their sales work.

In order to promote a desirable working rhythm, the managers in both the Beijing and Inner Mongolia branches break down a month into three periods and set particular targets for each period. Then, they monitor the sales agents' performance results for each period. Again, it should be highlighted that the total monthly target is higher than the one indicated in the performance appraisal. Managers seek to motivate the sales agents to consistently make an effort to pursue the imposed performance targets by setting considerable rewards for the completion of the targets. Usually, local managers set attractive reward schemes in the first two periods of a month to motivate the sales agents to achieve their total monthly sales targets as soon as possible. For example, at the Inner Mongolia branch, the management sets a 10,000 RMB premium sales target for each month; if the sales agents meet this target in the first period, then they get 1,000 RMB as an additional bonus. Moreover, if they meet a target of 5,000 RMB in the second period, then they will receive a domestic appliance, such as a vegetable washing machine or a hair dryer. For the third period of a month, it is suggested that the sales agents prepare for the next month and focus on recruiting new members or helping team members who have not met their targets. This is the working rhythm that is promoted by the management.

A department manager described the value of the working rhythm as follows:

“We offer them [sales agents] the best way to manage their work and increase their income because if they can finish the quota early, they may feel less anxious during the rest of the month. Then, they can continue to increase their income by selling more insurance products without feeling overwhelming pressure because they have already secured a certain level of pay. Or, they can make some preparations for next month... this tight-loose working pattern helps them maintain a good psychological attitude [hao de xintai] towards their work progress.” (Interview no. 3, Department Manager)

As was highlighted by this manager, the working rhythm can have a positive role in helping the sales agents to accomplish their performance targets more easily without too much stress,

as it is designed to be the “best way” to perform their sales work. This value is accepted by many sales agents in the company. For example, an interviewee said:

“I always try to accomplish my sales targets by the middle of a month...for the rest of the month, I tend to visit new customers just to make sure some of them can sign the contracts at the beginning of the next month...if you follow this working rhythm well, you may feel more relaxed at work.” (Interview no. 12, Business Manager)

It can be drawn from the data that there are several benefits of developing a good working rhythm. Firstly, since the sales agents have a relatively high degree of autonomy, it is difficult for a manager to check if they are conducting their work efficiently all of the time. As a result, pushing the sales agents to continually put effort into their work is important. This can be achieved by promoting a desirable working rhythm that directs and guides their behaviour towards a particular performance target. Secondly, following the good working rhythm helps the sales agents to avoid extra pressure under the situation that they have met their minimum target as their performance appraisal is approaching. If a sales agent is performing poorly and is not likely to pass the upcoming performance appraisal, he/she might be depressed and stop putting any effort into their sales work later on. On the other hand, if the sales agents are performing well enough and they are likely to pass an appraisal or get a reward, they may be more emotionally and financially motivated, and this could potentially benefit their further work. Therefore, a good starting point is important for building the sales agents’ confidence, providing them with better financial security and maintaining their positive attitude in the near future.

Moreover, the company usually uses “a blank sheet” strategy as a means to promote and reinforce desirable behaviours, such as the good working rhythm. Each period is a new “beginning” for the sales agents: the reward scheme for the previous period will no longer be valid for the new period. Similar to Knights and Morgan’s (1990) findings from a UK-based insurance company, Shield Ltd’s cycle of new targets “shows no mercy or respite” for the sales agents, including those who did well in the last run (Knights and Morgan, 1990, p.375).

In the morning meeting of the first day of a second period, a member of staff from the HR support team mentioned:

“Recently, many team leaders (business manager) have told me that in the first stage, their teams performed really well. Many of their team members achieved a premium of over 10,000 RMB. They said they felt so tired and wanted to rest a little in the second stage; everybody thinks about it, our second battle has started already, we don’t have much time to rest.” (Morning Meeting no. 12, Inner Mongolia Branch)

In the same morning meeting, an executive declared:

“You may notice that I got my hair cut yesterday. Why? Because I want to start from the beginning today.” [the pronunciation of “head” is the same as “beginning” in Chinese] (Morning Meeting no. 12, Inner Mongolia Branch)

It can be concluded that the sales agents are constantly pushed to achieve performance targets for each sales stage, and thus they face huge pressure. However, the management tends to neutralise the pressure by offering more rewards to the sales agents, which, in most situations, makes them dedicate more time to their work.

In addition, there are a number of sanctions and punishments associated with the result of performance appraisals and evaluations. As mentioned before, the sales agents would be demoted or even dismissed if they failed to pass their quarterly performance assessment. This is a formal sanction that is written in the company’s policy. Moreover, local branches usually have other sanctions for those sales agents who cannot achieve a particular target in a short period of time. For example, an agent who had a poor performance said,

“I’m on the ‘zero’ list [a list of the names of all the sales workers who could not make any sales in the last run]; right now, not having any income is bad enough, but the list

makes things even worse...I feel like I am being criticised by others and it is terrible...I have a self-image and I want to show my competence to all; I have prepared an extensive visiting schedule... if I don't make any sales at the end of this month, I will have to attend the 'zero-breaking camp' and that's humiliating.” (Interview no.36, Customer Manager)

The “zero-breaking camp” is a seven day compulsory programme for those people who cannot make any sales before the 20th of every month. An absence of more than three days is grounds for a dismissal, no matter what position that sales agent is in. After the morning meetings, the participants are driven to a place very far away from the branch and they are left with no money, bus ticket or mobile phone, but only one travel insurance card that is worth 100 RMB. They must sell this insurance card in order to have the money to take a taxi or bus to return to the branch; otherwise, they have to walk a long distance back to the branch. The key point of this programme is to force the sales agents to go out into the field and to persuade strangers to buy insurance products. Rather than looking at this activity as a training exercise, the sales workers perceive this programme as a means of “punishment”. For example, a business manager said,

“I don't believe this programme (the zero-breaking) can improve sales agents' insurance related knowledge and skills because travel insurance is a simple product that does not need much professional knowledge to sell ... improvement in communication skills and couragement to promote insurance products to strangers might be the major considerations for these participants ... the most important message you get from this programme is you must make sales.” (Interview no.30, Customer Manager)

As opposed to being a training programme to improve the sales agents' skills and knowledge relevance of the insurance sales work, the “zero-breaking camp” is a form of a negative incentive that aims to correct the sales agents' behaviours. The executive said,

“We cannot deal with bad performers after the quarterly assessment, as it is too late. If sales agents fail to pass their assessment, they may quit soon or be dismissed by the company and we can do nothing to help them. On the other hand, if we keep an eye on

their performance and implement some reactive measures to help the bad performers, we may help them stay for a longer time.” (Interview no. 2, Executive)

Therefore, sanctions like the zero-breaking camp imply a close monitoring of the sales agents’ performance targets within a certain period of time. Once unwanted consequences are reported, the management uses sanctions to internalise and direct a desirable behaviour that is usually the behaviour of working harder to make a sale. The prospect of being punished in front of others can potentially result in a more self-disciplined and self-controlled sales agent.

5.2.2 Disciplinary Control and Bureaucratic Control

The constant performance appraisals could result in a self-disciplined sales agent. The management ranks and publishes the result of every performance appraisal, so the sales agents’ performance is visible to all of the members of a branch rather than exclusively to the management. Moreover, the names of people who achieved or exceeded excellent standards and who did not meet the minimum performance requirement are listed and posted on the wall of the hallway with the exact amount of premiums written next to their name. Therefore, the sales agents are aware that their accomplishments are being measured and reviewed frequently by their managers, and they cannot hide their performance results from their peers. The bad performers are subjected to a range of sanctions and punishments, such as embarrassment in front others. Although the managers do not directly monitor the sales agents’ sales processes, the continuous monitoring of their performance results and the peer scrutiny that plays an important role in normalising their behaviour and transforming this disciplinary power into an internalised sense of self-improvement. Particularly, the fear of being embarrassed and humiliated in front of others or the willingness of being rewarded by managers and admired by others make some of the sales agents dedicate more to their work, which successfully induces organisational goals within them and the desire to be a self-disciplined subject.

Secondly, a form of bureaucratic control is embedded in the performance appraisals and the advocated “working rhythm”. Although the performance appraisal has been defined as a human resource management control tool by some researchers, it is usually discussed by

linking it to selective recruitment, training, development and teamwork, etc. In this thesis, performance appraisals are considered as a form of bureaucratic control. This is because performance appraisals rely on formal written documents and adhere to formal rules and regulations that are provided by the company and local branches (Williams, 2007). The task is specific in terms of the volume and the number of sales that they should make and the number of recruits that they should get to maintain his/her current position or to be promoted. Moreover, the commission payment system is complemented by a range of additional reward schemes, which constitute another form of financial control aimed at improving the sales agents' output and facilitating a form of bureaucratic control in terms of routinising and regulating their behaviour by promoting a good "working rhythm".

The good working rhythm refers to the management's attempted intervention on the sales agents' autonomy by setting specific sales targets and an overall working plan and arrangement for them. The working rhythm advocated by the management can be viewed as a means of control and manipulation on the sales agents' behaviour when planning and managing their daily work through positive and negative incentives that are associated with their achievement with particular performance targets. The bureaucratic control in this management practice is based on the fact that the management seeks to routinise and standardise the sales agents' working plan and process according to the working rhythm. This bureaucratic control is reinforced by both rewards and sanctions.

5.3 Career Paths and Management Control

There are two main promotion paths for the sales agents in Shield Ltd to advance in the hierarchy and they can decide to choose from either one of the following: the first career path is designed for sales agents who do not want or are unable to recruit and maintain their own sales teams. The sales agents in this career development path are mainly paid by commission and rewards that are related to their own sales performance. The second career path is designed for the sales agents who want to cultivate their own sales teams and be promoted to a management level. This section mainly discusses the two career paths for the sales agents and a bureaucratic form of control based on the formal rules and regulations. These two career paths are introduced in the first part of this section. Moreover, the second part

discusses the bureaucratic control that is embedded in the management practice in terms of its main purposes.

5.3.1 Career Paths

There are two main paths for sales agents to be promoted in the hierarchy of the company and the sales agents could decide to get into either of these two career paths. Newcomers have to survive a three month probation period to become regular sales workers in the company. Regular sales workers who do not intend to build their own sales teams are included in the “sales-oriented” career path and can be promoted to the position of a customer manager if they pass their quarterly performance assessment. For customer managers, the accomplishment of specific sales targets is the key indicator in the quarterly performance assessment. There are three levels that customer managers can reach. Based on their performance results, the customer managers can be promoted to an upper level with additional bonuses and allowances. Each customer manager is a member of a sales team that has been developed and supervised by a business manager. In contrast, when regular sales workers or customer managers build and maintain a sales team with at least five members (including themselves), then they enter the “management-oriented” career path. The career paths are outlined clearly in Chart 5.1.

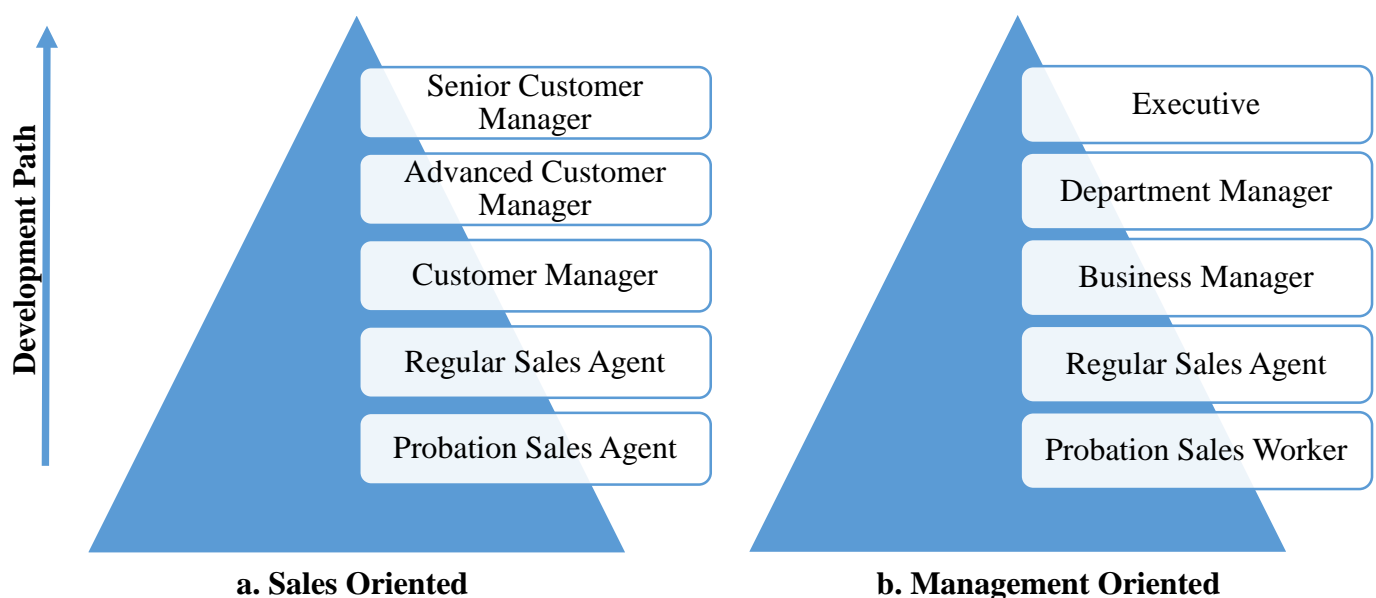


Chart 5.1 Career Paths for Insurance Sales Agents

There are also three and six levels that business and department managers and executives can reach, respectively. Insurance agents in each position are not only required to meet specific performance targets themselves, but they also need to maintain their current number of team members or enlarge their teams to a particular size. They need to do this if they wish to keep their current position or be promoted to a higher level. Their performance assessment is also quarterly.

All of the insurance agents in both of the career paths are required to meet specific sales targets, but the amounts differ depending on their current position. If the sales workers do not achieve their sales targets in the quarterly performance assessment, they are demoted to a lower level and forced to attend the relevant training programmes. The lowest level of sales worker is a “probation sales worker” that includes newcomers who have not undergone their first performance assessment and the sales workers who have been demoted. If the probation sales workers do not pass their next performance assessment, the company dismisses them.

Business managers who do not meet their sales targets or maintain the required number of team members are demoted to the position of customer manager or even a regular sales worker, depending on their position before they got promoted. Both the demoted business managers and their team members are reallocated to the sales team as peers to be supervised by the department manager; therefore, demoted business managers no longer benefit from the commission that is generated by their previous team members.

It can be concluded that the management-oriented development path provides insurance agents with more opportunities to move into higher levels of the company. Besides individual performance considerations, recruiting more insurance agents and helping them to achieve good performance targets are two key indicators for a promotion in the management-oriented development path. This path encourages team building and attempts to create a large number of insurance agents as part of a key strategy to expand the business and gain a competitive advantage. Commercial life insurance companies have only developed in the last 20 years, so there is a great market potential for China’s insurance companies. Therefore, expanding the market and getting more customers is crucial for such firms. By hiring large numbers of sales

workers, the company can reach a wide range of customers effectively. Moreover, as it has been revealed in the research background (section 4.7), a high level of personnel turnover is a key problem for almost all of China's commercial life insurance companies. By consistently recruiting new members, the company can potentially prevent the negative consequences of the high rate of turnover and maintain a stable, or even increasing, number of sales workers to ensure an optimum overall performance.

5.3.2 Bureaucratic Control

As mentioned in the previous studies in the literature and findings in the last section, insurance companies usually have a very high staff turnover because of the stressful sales activities and burnout from dealing with irate customers (Korczynski, 2003). Within China's life insurance industry, the thirteenth month retention ratio is almost 30%, meaning only about 30% of the sales staff still work for a company in the thirteenth month after joining it. The twenty fifth month retention ratio is even lower at 15% (Yearbook of China's Insurance, 2011). Although the author could not obtain the exact data for Shield Ltd's retention ratio because of their confidentiality policy, one executive (Interviewee no. 2) revealed that their ratio is no better than the average, as one department manager said,

“Being an insurance sales agent is quite stressful in China because they not only seek to achieve certain performance targets but also need to deal with the misunderstanding and suspicion from customers, and if they cannot stand the pressure and earn enough income, they just leave.” (Interviewee no. 3, Department Manager)

In this context, the company encourages all of the individual sales agents to recruit newcomers and build their own teams. Since the number of current sales agents is much higher than the number of employees in the back office, recruiting new sales workers through the channel of the current sales force can be an efficient method of recruitment. Therefore, the strength of the sales force can increase very quickly. The company provides large bonuses for business managers who recruit and maintain a large team of good-quality members and additional allowances for each level of the hierarchy. The higher the level they can achieve,

the greater the bonuses they are entitled to. For example, besides the commissions, there are only two forms of bonuses that sales agents may enjoy when certain criteria are met. However, the number of possible bonuses increases to 4 for formal regular sales agents, 6 for customer managers, 9 for business managers, 12 for department managers, and 14 for executives. Therefore, the higher the level that a sales agent can achieve, the higher the remuneration he/she can earn.

As a back-office executive said,

“You know, almost all China’s life insurance companies use this method to enlarge their sales forces.... the number of sales workers is important because Chinese people do not walk into or call insurance companies and buy insurance products; they have not yet gained awareness of securing and improving their lives through insurance products We do a lot of commercials, but it is far from enough, so we need a large number of sales workers, as many as possible, to go out into the field and promote our insurance products to the customers directly.” (Interviewee no. 2 Executive)

The main motivation for sales agents to recruit and maintain their own team members is associated with the extensive financial rewards.

“Basically, our business managers are not paid commission only; they also get five to ten percent of their team members’ commissions paid by the company.... they can also have an additional administrative allowance that is around 2 to 22% of their team members’ commissions.... for example, if you are a business manager and the total first-year commission for your team reaches 4,200 RMB or more in a month, then you can get 2% of this total first-year commission as an administrative allowance, and if your team reaches 27,000 RMB (first-year commission) in a month, then you get 16% of this total first-year commission. If you are a senior business manager and your team reaches at least 27,000 RMB in a month, then you get 22% of the total(first-year commission), meaning you can earn at least 5,940 RMB additionally.... we hope that through this monetary incentive, sales workers will put more effort into generating a good-quality sales force.” (Interviewee no. 2, Executive)

As a form of bureaucratic control, the career paths promoted by the companies are based on a set of formal and impersonal rules because the sales agents' need to meet particular criteria and pass quarterly performance appraisals. It is fair to every sales agent, if the promotion decision-making is transparent so that it can be taken for granted (Strangeman and Warren, 2008). This hierarchical career structure can potentially strengthen the sales agents' commitment to the organisation. However, this commitment arises not only because of the availability of internal promotions to employees, as suggested by Litter (1982), but also because of the greater income stability and greater responsibility. For instance, the business managers can enjoy more bonuses for their own performance as well as that of their team members. Second, since they are given more authority and power to supervise and manage their team members, they may feel empowered and more responsible. These aspects could strengthen the connection between the sales agents and the company. Consequently, the common arm's length relationship between sales workers and the sales organisation may be revised.

5.4 Insurance Sales Teams and Management Controls

Given the two career paths discussed in the last section, the management encourage their sales agents to build and maintain their own sales teams in order to get more bonuses and participate in the management. In this section, specific attention is paid to the purpose of developing sales teams. Two forms of control are identified in the running of sales teams. The first one is direct control that is exercised by the team leader towards his/her members. The second form of control is concertive control based on peer pressure and influences.

5.4.1 Development of Sales Teams

Every insurance agent belongs to a sales team as either a team member (customer manager or regular insurance agent) or a team leader (business manager). Each insurance agent is encouraged to build his or her own sales team by directly recruiting new insurance agents under his or her name. A sales team in Shield Ltd consists of at least six insurance agents, including the recruiter. When an insurance agent has successfully recruited and sustained at least five recruits and achieved the sales performance standard for a business manager, he or

she becomes a team leader and leaves his/her initial sales team for a new one. All of the sales teams run parallel to each other and have the same accountabilities and functions; thus, there are no superordinate and subordinate relationships between the sales teams. However, the company promotes a “blood relationship” (*XueYuanGuanXin*) between insurance agents, sales teams and sales departments. This refers to a recruitment relationship between individual insurance agents, a cultivated relationship between sales teams and a generative relationship between sales departments.

This “blood relationship” is similar to the normative discourse of “family” or becoming a “company (wo)man” (e.g. Alvesson, 1985; Willmott, 1993), where the employees are exhorted to embrace the norms and values designed by the organisation. By using the language of “blood relationship”, the company promotes a family-like environment for the insurance agents to work in. However, this “blood relationship” is largely based on financial connections between the insurance agents in different positions. Insurance agents can benefit through cutting commission, getting allowances from the recruits and cultivating sales teams and generative departments that have both direct and indirect relationships with them.

A business manager is usually called the “head of the team” (*ZhuRen*) at Shield Ltd, a term which is synonymous with team leader and customer manager. Regular insurance agents who do not have their own team are collectively called team members. The management decentralises administrative power to the team leaders, since it is difficult for managers to directly supervise and monitor such a large number of insurance agents. Influenced by both the financial connection and the normative discourse of family, the team leaders are more actively monitored and are required to help with their team members’ sales performance.

Job insecurity and an unstable income mean that individual insurance agents suffer from a high degree of alienation in the company. If they do not perform well over a certain time period, they usually decide to leave and find another job with a basic salary. Establishing their own sales team potentially increases the sales agents’ sense of security in regards to their income. Simultaneously, the responsibility of taking charge of a team, the self-satisfaction of creating good team members and building effective relationships, and the

perceived sense of being a part of management make it difficult for the insurance agents to give up and leave the company.

Moreover, besides the monetary motivation, the management-oriented development path also fulfils the insurance agents' social needs. Normally, being a sales agent has been viewed as highly individualised work that involves little interaction with colleagues. However, the primary data demonstrates that the degree of individualisation depends on the insurance agents' preferences and self-interests; thus, the sales teams promoted by the management provide a favourable context for the emergence of interdependence between the insurance agents.

5.4.2 Direct Control

There is a form of direct control that is usually exerted by the team leaders. Since there are a large number of individual sales agents at Shield Ltd, it is impossible for the management to closely monitor and control every single sales agent's work behaviour. As discussed in the last section, the management can use the performance output of a sales agent for a given period to monitor his/her achievement and undesirable performance outcomes. The managers may conduct interviews or implement other interventions to determine the reasons why a sales agent has under-performed. However, because of the large number of sales agents, the managers may only focus on serious and extreme cases. Therefore, allocating administrative power to team leaders can improve the efficiency of control over individual sales agents while making the team leaders feel empowered and trusted. However, because the team leaders' incomes are affected by their team members' performance, the team leaders normally seek to control their members more frequently and wish to help them improve themselves.

A business manager described her work routine as follows:

“After the morning meeting, I may preside over a small meeting for my own team if necessary... I check their work log and ask them to present their recent sales experiences...writing the work log is compulsory and necessary because it helps sales

agents to learn from past experience and record information about clients and prospective clients.” (Interviewee no. 33, Business Manager)

The team leaders routinely check the team members’ work logs to stay informed about their current sales progress. They point out the problems in these work logs and provide suggestions and directions for the team members’ future interactions with prospective clients. Team members who write poor work logs are criticised in front of other members during the sales team’s secondary morning meeting, and they are also asked to rewrite them. The good performers will usually have more autonomy to set their working patterns, styles and the frequency of their visits to prospective clients, and so on. Yet, for the poor performers, some team leaders will intervene in their sales processes. The team leaders seek to supervise their team members directly. This method of direct control allows them to get to know their team members’ work processes through their work logs. The team leaders carefully check the team members’ work logs and identify problems that are related to their performance results.

In some cases, the team leaders call their poor performers every evening and ask them detailed questions about their work throughout the day, including how many people they visited, how many of them could become prospective clients, what opening line they used when initiating communication with the people and how they responded, how they would evaluate their work throughout the day, etc. Because the team leaders seek to obtain information in as much detail as possible and ask more follow-up questions regarding their answers, it is difficult for those team members to make up stories, as a business manager said,

“I ask, ask, and ask, and sometimes I ask the same question repeatedly to see if their answers are the same.... I think it is easy to find out if they are telling the truth or not.... for the first two times; I subtly hint to them that I know that they are making up stories, but not after the third time.... I’ll criticise them if they keep lying about their daily work and phone them whenever necessary.... for example, I may phone them in the afternoon when they are supposed to be visiting prospective clients, and if I’m suspicious about the visits, then I’ll ask them to hand the mobile phone to the people they claim to be visiting and ask for some feedback.... this may not immediately improve their performance, but at least they do not lie to me as much and put more effort into visiting prospective clients rather than staying at home.” (Interviewee no. 29, Business Manager)

Continuing to call the sales agents and asking them about their work may lead to much more pressure on them. They may feel that they are being closely supervised and controlled. Moreover, in some cases, the team leaders also accompany their sales agents to visit prospective clients to supervise their behaviour when attempting to make a sale and observe whether they have accurate and sufficient knowledge and skills. After each visit, the team leaders frequently ask for recorded feedback from the clients about the sales agents. Although the company does not check whether the team leaders regularly accompany their team members when visiting prospective clients, all of the interviewed business managers mentioned that they tend to take some time to accompany them, supervise the sales process, and even help them to make a transaction, especially the newer team members.

“I normally accompany my team members on visits to prospective clients at least twice a week, and if I have extra time, I’ll do more.... I think that this is the best way to understand the team members’ real problems, and it is easier for me to figure out how to help them improve their work... sometimes I communicate with the prospective clients of those new members and ask them to observe and learn from my sales skills, body language and emotional displays. If I can make a sale, then the credit goes to them.”
(Interviewee no. 28, Business Manager)

More than a form of direct control, accompanying team members when they visit prospective clients can be seen as an opportunity to provide more training or coaching. The sales agents can learn from real-life cases by comparing their team leader’s actions to their own. The sales agents may perceive a sense of consideration and caring from their team leader, which in turn leads them to put more effort into improving their own performance, as a customer manager said,

“He helped me a lot when I was a newcomer, and I learnt a lot about his sales style and insurance knowledge... I don’t want to let him down.” (Interviewee no. 36, Customer Manager)

In addition, the team members are required to hand in at least five “client visiting receipts”. Client visiting receipts are filled in by the prospective clients with their contact numbers and personal information. This can be seen as a means to force the sales agents to actively visit a proper number of prospective clients to pave the way for a transaction. These client visiting

receipts are usually spot-checked by both the team leaders and the HR support team by phoning some of the prospective clients and asking for their feedback. If a fake receipt is found, the sales agent who handed in the receipt will be named and criticised during a department morning meeting, and all of their subsequent receipts will be checked for a certain period. This could generate a panopticon effect in that the sales agents could not possibly know when their client visiting receipts will be checked. Since fake information about prospective clients may be examined and they will be punished for this cheating behaviour, the sales agents tend to be more disciplined in terms of visiting prospective clients. The self-discipline can be further reinforced by the possible benefits, such as making more transactions that are generated from regular visits in the future.

The team leaders exercise direct control over their team members by checking their work logs, tracking their sales progress, observing their interactions with customers and checking their customer visiting receipts. Through such close supervision, any problems facing the sales agents are easily identified by the team leaders. The team leaders seek to correct the sales agents' misbehaviour, such as fake information about customer visits, by closely monitoring their future work process and providing them with some training to develop their sales-related skills.

As suggested by Frenkel, et al. (1999), the so-called "teams" in many service and sales organisations do not show the characteristics of teamwork, which usually involves taking responsibility for tasks without direct supervision, a high degree of discretion regarding work methods and time, encouragement for team members to organise and multi-task and influence the team members to engage in recruitment (Marchington and Wilkinson, 2000; Korczynski, 2002). Instead, in the service and sales teams, the team members carry out individual work under the supervision of a team leader. The same conclusion can be drawn from the preceding sections: the insurance sales agents (especially newcomers) are closely monitored and supervised by their team leader or by the person who recruited them. This is a form of direct control based on a set of formal regulations and rules. Direct control can be exerted not only by team leaders but also by any insurance agent who has recruited salespeople, and this control is mainly driven by the financial connection between a sales agent and subordinates recruited directly or indirectly by him/her. The company calls this financial connection a

“blood relationship”. Although the company claims that there is no superordinate and subordinate relationship between the sales agents and sales teams, a hierarchical structure does exist, as highlighted by the company’s policies and regulations, and the sales agents (either team leaders or regular sales agents) at higher levels are given the authority to control and supervise their subordinates.

5.4.3 Normative Control in Sales Teams

Besides the bureaucratic elements, some normative aspects can also be identified in the sales team procedures. Firstly, since the sales agents are authorised to supervise and monitor their subordinates, their responsibility to their team and subordinates may foster a sense of belonging to the company as well as to the team, as one team leader said,

“If you have your own team, you won’t make that decision [to leave the company] that easily; because you brought your team members to this industry, you should take the responsibility to take care of them.” (Interviewee no. 29, Business Manager)

In terms of concertive control in the setting of the sales teams, both peer pressure and co-worker assistance can be observed within the sales teams. The company provides a variety of bonuses for teams when each team member meets a particular individual performance target; meanwhile, the collective performance of the team must reach the standard of an “excellent” team. The names of excellent teams are identified and praised during morning meetings and posted in the hallways of the workplace. Leaders of excellent teams are also rewarded financially. Therefore, both team leaders and sales agents are concerned with their team members’ individual accomplishment of their performance targets, and they place more pressure on their peers (especially those performing poorly) in order to obtain and maintain a positive team image and earn additional rewards. During the sales team’s secondary meetings, the leaders continuously remind members about their expectations of their team’s performance and they infuse a sense of team honour. For example,

“As a group, we wouldn’t judge you if you could not meet the target, but I believe no one can pretend that nothing happened if he/she caused us to fail to get the praise...so, we advise the members to just work harder.” (Sales Team Secondary Morning Meeting no.8, Beijing Branch)

During the sales team’s secondary morning meetings, the team leaders usually ask their team members to talk about their performance achievements and to briefly describe their sales processes from the previous day. Therefore, everyone’s performance results are under his/her peers’ scrutiny. The sales agents are aware of whether a team’s prospect of achieving rewards has been foiled by themselves or by others, placing extensive pressure on the individual or on the others to perform better. For instance, one sales agent expressed the following:

“When I underperformed, everyone on the team kept asking me what’s happened and once I heard someone muttered: ‘we are probably doomed this time’... I always feel bad if I let the team down, so I engage in more visits...I don’t blame them; if I were in their place, I would also complain [of] others’ failures and try to force them to improve, because we are a team and no one should damage our team image... I don’t know the point of view of others, but for me, this is not about the reward, it is about the honour.” (Interview no. 16, Customer Manager)

This quote implies that there is a collective image of a sales team in which the sales agents prefer to perform better to avoid letting the whole team down. A sense of belonging to the sales team helps the sales agents to identify with their sales team by accepting key values and norms that have been developed within the team that are normally initiated by the team leader or the company. The key values and the norms may vary in different teams. Some teams promote a supportive environment where the team members are more likely to help each other with their sales work. In contrast, some other teams may build a competitive environment and encourage the team members to compete with each other. Regardless of the norms and values promoted by the sales teams, the major purpose is to improve the overall team performance and an individual team member’s performance simultaneously.

Also, the team leaders tend to build a cohesive and harmonious environment within their team. If a team has excellent performance results, the name of the team is announced during the morning meetings or written in the hallway of the company. Also, the team leader

receives a bonus from the company. All of the interviewed business managers said that they had used the team bonus to organise some events for the team members, such as treating them to dinner parties, karaoke, movies, spa visits, and/or company outings. Thus, the sales agents are motivated to perform better in order to receive team bonuses.

Therefore, for underperformers, pressures may arise from the blame from both themselves and their peers for letting the team down or from negative feelings of losing a competition with their peers, as an interviewee said,

“Pressures from your team members are quite high, although most of them do not criticise you to your face, you can sense their bad mood... if you continuously fail to obtain the targets, you may feel alienated by the others... I think it is a stimulation for me to improve myself in order to meet my team’s requirement, but some others may feel disturbed...as long as you are a member of a team, you cannot escape from the others’ expectations and from trying to satisfy these expectations.” (Interview no. 20, Customer Manager)

Since the sales agents on a team have a collective value, all of the team members are expected to dedicate themselves to improving the total performance of the team. The good performers tend to intervene in the work-related activities of poor performers. For example, they may often refer to the negative influence of their poor performance on the team’s overall performance, warn them to work harder, monitor or determine whether they actually visited the appropriate number of prospective clients and report it to the team leader, show concern for their everyday work processes and provide suggestions regarding their work. The latter two interventions appear softer and show more care towards team members; yet, high peer pressure is still felt by some of the sales agents. This argument is supported by the following quote:

“My team is quite harmonious: we help each other with our work... some of them spent a lot of time teaching me sales skills when I was a newcomer. I was touched but also [stressed] because I was so afraid of wasting their time and disappointing them... I know if I cannot improve myself they will definitely give up [on me] and stop helping me because they cannot see my potential.” (Interview no. 20, Customer Manager)

Consequently, insurance sales teams assert a concertive control over their members based on peer pressure (Backer, 1993; Sewell, 1998). Therefore, based on the accepted norms and values within the sales teams, the sales agents are more likely to be self-disciplined under the pressure and scrutiny of their peers. Moreover, the harmonious and collective team culture contributes to the well-being of the sales agents, e.g. their minds, attitudes and emotions, so the culture possibly constructs and directs the sales agents' identities to be in line with those of their sales team.

5.5 Morning Meetings and Controls

This section highlights the controls that are embedded in the morning meetings. Firstly, this section introduces the company's regulations on attending the morning meetings. The different types of morning meeting are also examined. Secondly, the key functions and purposes of morning meetings are discussed. Then, several informally normative controls are elaborated in terms of activities such as counselling, trainings, rituals and experience sharing in the morning meetings.

5.5.1 Morning Meetings

The meetings attended by the insurance agents consist of two main parts: the morning meeting and the evening meeting. The morning meeting is the most indispensable meeting in China's life insurance companies, and Shield Ltd is no exception. At Shield Ltd, the morning meetings have various functions, including getting to know the insurance agents' progress, providing counselling to the insurance agents so that they can solve particular problems and boosting morale (Morning Meeting Operating Manual, 2010). There are several kinds of morning meetings, including the departmental first morning meeting, the sales team secondary morning meeting, the team leader morning meeting (a meeting for business managers), and the morning meeting for excellent sales people. The departmental first morning meeting is the most important one: it is held every weekday and is compulsory for every insurance agent. Moreover, the team leader (business manager) is required to organise a half hour sales team secondary morning meeting every weekday after the departmental meeting: it is less strict and the team leader has discretion over the length, content, and

frequency of the meetings. The frequency of other forms of morning meetings depends on the regulations within the different branches. For instance, the morning meeting for business managers is held three times a week at the Beijing branch, while it is held daily at the Inner Mongolia branch. The evening meeting is conducted weekly and is usually held every Friday before going off duty.

The procedures of the departmental first meeting and the team leader morning meeting are more detailed than those of the other meetings. The departmental first morning meetings usually last for at least two hours and all of the insurance agents must be punctual. For the meeting, each department's workspace is turned into a lecture room with a podium in front of the room. The insurance agents in the same team sit close to each other; in some departments, they sit around a table with the team's name on it. This practice highlights the fact that each sales team is a collective and self-reliant group. Thus, the team members can be infused with a sense of belonging and a collective identification. The meetings start with a set of ritual activities, including morning exercise, dancing, singing the company's song or reading slogans. Then, an insurance agent delivers a briefing. The briefing usually refers to some positive news about the company, general information about the insurance industry, news related to life insurance, health tips for the insurance agents or recent events in the company. These activities usually last for half an hour.

The subsequent part of the departmental first morning meeting includes different contents every weekday. Normally, the department managers arrange for some insurance agents who have shown considerable achievements in their work to share their experiences, these agents may be from their own department or other departments. Moreover, trainers from the HR support teams are frequently asked to provide training for the insurance agents with an emphasis on improving their communication skills, performance, knowledge related to the insurance and a range of routine sales processes as a reference to guide the agents' sales. In addition, the department manager also participates in the morning meetings and delivers speeches to cheer the agents up, evaluates agents' efforts, presents recent work arrangements, highlights the company and department's rules and provides suggestions regarding the agents' future work.

The team leader morning meetings are held by the executives. The information offered in these meetings deals with issues related to the sales teams. Teams that have performed well

are named and praised in these meetings. The executive and the invited trainers suggest ways to help the team members to improve their performance, motivate the team members and ways to control teams more effectively. The sales team secondary morning meetings are more flexible. During these meetings, the team leader usually checks the members' work logs, enquires about their progress, provides advice and suggestions and leads role plays.

5.5.2 Functions of Morning Meetings

At Shield Ltd, the sales agents spend hours attending meetings every morning of the week. The main activities that the sales agents undertake during the morning departmental meetings and the morning team leader meetings include discussions on knowledge and skills that are related to insurance sales, sharing work experience and celebrating achievement. During the secondary morning meetings within each sales team, the sales agents' sales figures for the previous day are normally checked by their team leader. The sales agents are also required to practise their skills, via role-plays and quizzes about the insurance policies in order to improve their sales skills and professional knowledge. As the morning meetings can last for three to four hours, they are time consuming and they shorten the time that sales agents can spend in the field communicating with prospective clients. However, the management has stated that attendance at the morning meetings is necessary and beneficial. The role and purpose of the morning meetings will be discussed in this section.

According to the company's written documents, the main objectives of the morning meetings are to gain an understanding of the sales agents' work status, provide advice for their work and boost morale (Morning Meeting Operating Manual, 2010). Besides the basic purposes written in the company's Morning Meeting Operating Manual, several specific functions of the morning meetings are emphasised each day. According to the regulations read at the beginning of every departmental meeting, the morning meetings also aim to

“normalise the management of individual insurance sales agents, maintain the standard operation of insurance business activities, conduct training sessions and supervision in a timely and effective manner, and improve the basic qualities and skills of individual insurance representatives” (Shield Ltd's written regulations).

These regulations are also written on department walls and displayed on the PowerPoint slides shown in the morning meetings. The insurance sales agents are required to read them aloud at the beginning of every morning meeting. This routine continuously reminds them of their obligation to attend the meetings. Highlighting the requirements and sanctions can serve to normalise the fact among the insurance sales agents that morning meeting attendance is a part of their job role. Moreover, the regulations imply that morning meetings are viewed as a means by which the company can be run better and the insurance agents may benefit through training and improvement. This implied message is intended to help to reduce the insurance agents' resentment of being forced to attend morning meetings.

5.5.3 Normative controls in Morning Meetings

Morning meetings conduct four main activities including counselling, trainings, rituals and experience sharing. This part focuses on the normative controls that are embedded in these activities. The main purpose of this form of control is to internalise key values, norms and the beliefs of the company.

Counselling

Since the insurance sales agents are required to go out into the field and have face-to-face contact with prospective clients, it is difficult for the company to track and monitor the real progress of their daily work. Morning meetings provide opportunities for the management to understand and update their sales agents' work-related information on a daily basis. Moreover, by delegating power to department leaders and team leaders, it is possible to check the sales agents' work from the previous day during the morning meetings.

Once a problem or difficulty has been detected in the sales agents' work progress from the previous day, the department managers or team leaders respond to that issue quickly to ensure that it would not influence that day's sales work. For example:

“I provide advice for my team members when they have problems or difficulties or confusions about the job. We [sales agents] are all studying and improving ourselves

during the work rather than prior to the work, so identifying problems and then solving them is crucial for our self-development.” (Interview no. 13, Business Manager)

Another business manager also said:

“If you don’t help your team member [to solve their problem], they will be doomed again when the same problem occurs later. After failing on the same point several times, they may lose confidence and accumulate too [many] negative feelings.”
(Interview no.29 Business Manager)

The problems that emerge from the sales process can be diverse and difficult to predict because the sales agents are dealing with different kinds of customers every day. Therefore, the company needs to deal with particular problems and issues in the light of the relevant conditions specific to that issue. The morning meetings provides time and space for the sales agents to discuss real problems and difficulties with their department managers, team leaders or peers, and solve these problems before going back into the field and facing prospective clients that day. This makes up for any lack of training prior to the sales work as the sales agents can gradually improve their professional knowledge and skills in the field.

Training

The morning meetings also provide training opportunities. Training courses are provided by company trainers from the back office or by excellent sales agents. Training during morning meetings is necessary because individual insurance sales agents only attend a three day training session on the regulations of the Chinese insurance industry and basic knowledge of the types and functions of the insurance products. Therefore, when the insurance agents start to promote their company’s insurance products, they are often rather unskilled. To improve the agents’ professional knowledge and sales skills, the company incorporates training courses into the morning meetings so that the agents can improve continuously.

Three main types of training course are provided by the company. The first type involves financial knowledge that is associated with particular types of insurance products (especially new products) and knowledge of the Chinese insurance industry. This training gives the sales agents a deeper understanding of the company's insurance policies so that they can provide better explanations to customers. The second type of training provides standard scripts to guide the insurance agents' sales processes. Some of the training of this type aims to standardise the language that is used in communications with prospective clients. The third type of training deals with specific skills that can be used when the agents encounter and communicate with prospective clients.

The first type of training is basic and fundamental because the sales agents need to understand the insurance products before they promote them to the prospective clients. Some basic knowledge of the financial market is also helpful, since many insurance products sold by the company are often purchased for investment purposes. This kind of knowledge is usually delivered by skilled and excellent sales agents or by trainers from the back office. However, such professional knowledge may be difficult to understand for some of the sales agents. For example, a business manager who worked in the industry for over 10 years provides a course about the relationship between insurance sales and the current financial market. The content involves detailed calculations of the benefits of several insurance products and some analyses and predictions of the stock market. The observation data shows that many attendants did not pay attention to the speech (Morning Meeting no. 4, Beijing Branch). Later, this business manager stated,

“Most salespeople [are] not interested in that kind of knowledge [that] I taught in the morning meetings. They cannot understand it very easily because of their poor educational background. Some salespeople who really want to be professional and treat this [insurance work] as a permanent and life-long career are more likely to spend time learning this kind of stuff.” (Interview no. 13, Business Manager)

In contrast, the second and third types of training courses are more welcomed by the regular sales agents. The company provides a range of standard scripts for the sales agents to smooth the process of sales work, especially for those newcomers who do not have sufficient knowledge and experience. The scripts provide guidance for the sales agents in many circumstances; for instance, how to start a conversation with a stranger, a friend and/or prospective clients, how to deal with a refusal, how to recruit new sales agents, etc.

A pertinent example can be found in a trainer's words:

“Have you found difficulties in finding a proper open line when meeting a prospective client? If so, you can try this: ‘Mr or Ms, may I ask you a question? If I offered you five RMB every day for twenty years, would you accept it?’ The client would normally say yes, and then you can go on and ask, ‘If I give you five RMB each day for about one year, and then suddenly I have some emergency and ask you to give me 200,000 RMB – not borrow it from you, but ask you to give it to me for free – would you accept that?’ They might say, ‘No, I won’t; nobody would be so stupid.’ Then you can respond, ‘We are that stupid. If you pay us regularly, we’ll give you lots more money back when you have certain emergencies, and we also provide money management insurance products [by which] you can get a bonus every year. Would you like to learn more about our products?’ See? Quite simple, but with one condition – that you should know this person before starting the conversation. It would be better if he/she is your friend or you have already established a fair relationship with him/her.”

(Morning Meeting no. 15, Inner Mongolia Branch)

The quote above shows only one script that is provided by the company – there are other similar scripts exemplifying standardised procedures for making a conversation with prospective clients and potential recruits. However, some problems can be found with the scripts. The scripts, often adopted by new sales agents, are simplistic. Some of the interviewees stated that *“experienced sales agents rarely use those kind of communication instructions because they have already developed their own communication pattern”* (Interviewee no. 33, Business Manager), and using these types of communication scripts may

be unwelcome among prospective clients because *“those scripts do not show professional skills, and the customers might have heard those questions several times, so the scripts may fail to attract the customers”* (Interviewee, no. 16, Customer Manager). Therefore, in contrast to Leidner’s (1993) suggestion that insurance agents should use scripts to standardise the sales process and language used in communication with customers, the sales agents (especially new sales agents) use these types of scripts as a reference during their early careers at Shield Ltd.

In addition, the third type of training is more informal, but it promotes some desired behaviours and emotional displays during customer encounters. For instance, this kind of training may teach the sales agents skills to use when they communicate with prospective clients, such as a particular etiquette, style of dress, polite language, facial expressions, etc. The sales agents stated that they *“must smile and be polite in front of [prospective clients] all the time”* (Interview no.34, Business Manager) and that they *“need to be patient and friendly”* (Interview no. 42, Customer Manager). Many interviewees said that they do not mind displaying these particular emotions during their work because this is a part of their job, as one interviewee said, *“being patient and friendly is the basic rule for insurance sales work or even for all service work, so I’m stick[ing] to it”* (Interview no. 42, Customer Manager).

Another sales agent said:

“I like training related to proper facial and oral expressions because I’m not a social person and [I] lack communication skills. I learned a lot from this kind of training which help[s] me make a good impression in front of prospective clients.” (Interview no. 30, Customer Manager)

Similarly, another agent stated,

“Attitudes are important, and you need to impress [prospective clients] not only by your professional knowledge but also your service attitude. People [are] more willing

to listen [to] more of your speech on insurance products if they are treated as 'god' and feel treasured." (Interview no 16, Customer Manager)

It can be concluded from the quotes above that the insurance sales agents tend to perform emotional labour during their sales process by displaying positive emotions and expressing empathy with their prospective clients. Therefore, the prospective clients can possibly consume the enchanting myth of sovereignty (Korczynski, 2002) which further increases the chance of making a sale. From this perspective, the sales agents tend to manage their emotions by following professional and occupational "rules". Therefore, the prescriptive emotional management "rules" on feelings were found to be based on professional and occupational norms and demands (Bolton and Boyd, 2003; Lopez, 2010).

Rituals

Ritual and experience sharing are two common aspects of the morning meetings. At Shield Ltd, there is a range of ritual events that are held at every morning meeting. For example, the insurance sales agents sing the company's anthem and read the company's motto at each morning meeting. This can be seen as a process of highlighting and imbibing the company's main values within each individual. The ritual is conducted as part of normative control because it tends to form and reinforce the agents' occupational and organisational identities, as they are frequently reminded of their roles, responsibilities, and values as insurance salespeople and as employees of the company.

Furthermore, during the morning meetings, the values of the insurance industry and the achievements of the company are promoted. Insufficient regulations during the last two decades and the current socio-cultural environment have influenced the Chinese population's perception of the insurance industry. Since the general perception of China's insurance industry is still negative and Chinese people still question the credibility of the sales agents and the insurance companies, the development of China's insurance industry is frequently presented at morning meetings and compared to insurance industries in more advanced countries. A member of the HR support team mentioned the following at a morning meeting:

“Insurance companies in advanced countries have [good] reputations, and they contribute a lot to the countries’ economic and social development ... we are still at the early stage, and I prefer to call us pioneers in the development of China’s insurance industry... the insurance industry in America was established about 150 to 160 years ago, but in our country, it has been established for about 20 years. Therefore, we still have a long way to go and have many difficulties to conquer... Compared with other domestic insurance companies, our company is showing fast growth. We are now one of the leading insurance companies in China.” (Morning Meeting no. 2, Beijing Branch)

In another morning meeting, another HR staff member stated some more specific achievements of the company:

“Well, now I want to share some exciting news with every family member: the results of [the] top 500 Chinese enterprises were announced last week. Our company was ranked 82nd among all of the Chinese enterprises and 30th in the service industry...there are only six other insurance companies listed in the top 100...we are the second one...As members of Shield Ltd, we should be proud of our company’s achievement...Now, our company, our family, is the head of the life insurance industry, and we have strong potential for future development. So I believe that our company is really nice and worth being dedicating to...let’s congratulate Shield Ltd’s achievement with some more applause.” (Morning Meeting no. 12, Inner Mongolia Branch)

This can be seen as a celebratory ritual wherein the company tries to emphasise the pleasing and positive aspects of insurance work (Korczynski, 2000). By highlighting the bright future of both China’s insurance industry and the company, the sales agents are infused with impressions of more positive career prospects. Thus, the management seeks to persuade them to build their faith in the company and the industry. This can be viewed as a tactic to normalise and neutralise the negative value of insurance sales work as it is perceived by the

public. The occupational ideology is reframed by infusing insurance work with a positive value (Ashforth et al., 2007).

Experience Sharing

Another kind of celebratory ritual that is frequently followed by the company is the sharing of successful experiences. The insurance sales agents who have shown an outstanding performance or significantly improved their performance are invited to deliver a speech during the morning meeting. For example, a sales agent shared her experience of how she increased her sales volume in just three months:

“In the first few months [after joining the company], I did pretty well and got many additional rewards, and that’s because I convinced many relatives and friends of mine to buy the insurance products. In other words, I sold many Renqing Baodan [an insurance slip sold mainly because of the personal relationship with the customers]. But after that, I faced a serious problem in that I didn’t know what to do next...I didn’t make any sales for three months because I didn’t dare to communicate with strangers.” (Morning Meeting no. 2, Beijing Branch)

After describing her previous failure, she further stated that:

“...my team leader told me that if I want to improve my communication skills, the best way [is] to visit and to talk to as many people as possible...you can make reference to the open lines provided by the company first, but as you practice more, you will find for yourself, the best way to communicate with different kinds of people... I went to a shopping mall every afternoon for a month, I talked to almost all of the shopkeepers, and finally I made two sales, and I was so happy because I was rewarded for my efforts... now I’ve got several more insurance slips signed by clients who were introduced by these two shopkeepers... I would like to share this suggestion from my team leader with all of you – that the number of visits is very important. So don’t be

shy and just talk to people; you will improve your communication skills and build your own prospective client pool very soon.” (Morning Meeting no. 2, Beijing Branch)

Based on the information gathered from observations of many morning meetings, quite a few similar experiences were shared. Rather than providing advice, professional skills or knowledge, this common type of experience sharing stresses that the sales agents must follow the company's lead and increase their number of customer visits. Similar to Knights and Morgan's (1990) reference to “the law of numbers” at a UK life insurance company, Shield Ltd suggests that talking to as many people as possible is a fundamental rule for success and excellence. A department manager claimed the following in a morning departmental meeting:

“I'll give you some numbers: 25, 10, 3, 1... you meet twenty-five people, you may call on ten of them, three of the ten may ask for detailed proposals for an insurance product, and finally, you make one sale... if you want to make one sale this month, you need to meet at least twenty-five people first.” (Morning Meeting no. 2, Beijing Branch)

The company requires sales agents to meet at least 5 people a day (or 25 people) and return the customer visit receipts as evidence of their meetings. Team leaders or other staff members randomly phone the numbers on the receipts to check whether the receipts have been falsified. This method may lead to negative feelings among some of the sales agents because they may feel that the company does not trust them. However, many of the sales agents reported that they are motivated and inspired by some of the shared experiences, and, as a result, they are willing to devote more time to customer visits. Therefore, this kind of experience sharing can infuse a positive mental attitude (Leidner, 1993), causing the sales agents to look at the bright side of the intensive workload – the potential to be as successful as the experience sharer. Therefore, the values and norms desired by the company, represented by the experience sharer, are potentially internalised by the sales agents making experience sharing a form of normative control.

During the interviews, the researcher asked several interviewees whether the contents of speeches and shared experiences in the morning meetings were pre-decided or checked by department managers before being delivered. The answer was “no”. For example, one of the interviewees said:

“No, we don’t report our speech to managers before the morning meetings...I don’t know how to explain, but we rarely share negative information during formal morning meetings... from my point of view, if I’m asked to share an experience or say something in front of others, it means that I have something good and the company wants others to learn from my good points, so why would I say something bad?”
(Interviewee no. 12, Business Manager)

Another said:

“We don’t talk about negative feelings or incorrect sales behaviour in public places, like our meeting room; we only complain ‘off-stage’... positive attitudes and emotions are crucial for any sales agent who wants to survive in this business, but insurance sales work is extremely stressful, and sales agents are influenced by many factors, such as customer misunderstanding and failure to achieve performance targets... if sales agents are depressed as a result of these factors, they will not be in the mood to go into the field and do the sales work... so the company wants to make sure that sales agents maintain or re-establish positive attitudes and emotions before going into the field, and that is why we have so many talks on successful selling experiences.”
(Interviewee no. 16, Customer Manager).

The two quotes above show that the company does not provide formal guidance for the insurance sales agents who share their experiences with others and it does not check the contents of shared experience talks before they are delivered. Without management interventions, the insurance sales agents tend to only reveal the positive aspects of their attitudes, behaviour and emotions. This does not mean that they do not have negative

feelings, but rather that they only discuss these negative things more privately. The sales agents recognised the key norms and values that are promoted by the company and act according to those norms and values. Several norms appear to be widely accepted by the sales agents. Firstly, the number of visits is crucial for one's success. Secondly, recruiting and maintaining as many people as possible, not only facilitates the development of the company, but also ensures benefits and job security for the sales agents. Thirdly, a customer-related value is also promoted. The sales agents could benefit from providing a quality service to existing customers, as then they could be able to sell more insurance products to new clients who are introduced by their current customers. These key norms and values are usually internalised by the sales agents, as almost all of the interviewees stated that these were the requirements for success. Therefore, by repeatedly promoting the norms and values inspired by the company during morning meetings, the sales agents were likely to dedicate more to sales work by aligning themselves with this set of values and beliefs. Consequently, the morning meetings serve as a form of normative control because the company seeks to influence the sales agents' attitudes, thoughts and beliefs through rituals and experience sharing from excellent peers.

CHAPTER SIX

FINDINGS: EFFECTS OF CONTROL AND THE TRIANGLE RELATIONSHIP

In Chapter Five, the general emphasis was on identifying the forms and purposes of control in a range of management initiated practices. In this chapter, the analysis and discussion is more specific, and it aims to conceptualise the research to date that is associated with multiple theories and theoretical perspectives from the previous literature. The key aims of this chapter are to elucidate the effects of controls with contradictory logic on the sales agents' sales output, behaviours, attitudes, beliefs, feelings and emotional displays, as well as the triangle relationship between management, sales agents and clients. The underpinning theory mainly refers to a poststructuralist perspective on management control and a model of customer-oriented bureaucracy (COB) that is derived from a neo-Weberian tradition without denying the key concepts of the labour process tradition.

The qualitative data is sorted into two main themes: the effects of control on an individual sales agent and the triangle relationship between management, sales agents and clients. The first section of this chapter mainly deals with the first theme. According to relevant literature on forms of control, controls that are identified and interpreted in the last chapter are categorised into formally coercive control and informally normative control. However, controls with contradictory logic do not operate independently; they actually interplay with each other to influence the sales agents in many aspects. This interplay between different controls and the results of the interplays are also elucidated in the first section. The second section discusses the triangle relationship between management, sales agents and clients in the specific research setting of China's insurance industry. The findings show that the constructed triangle relationship is not only influenced by the management controls used by Shield Ltd, but also affected by the nature of China's insurance sales work in a wider socio-cultural context. Since new insights have been explored in the research findings, the third section seeks to extend existing literature on front-line service work and the model of customer-oriented bureaucracy.

6.1 Effects of Control on Individual Sales Agents

This section deals with the effects of control on individual sales agents. Firstly, it provides a discussion on management control with different logics within Shield Ltd in terms of categorising the control into two types – formally coercive control and informally normative control. Since these two types of control interact with each other in real practices, it is difficult to discuss the effects of each type of control separately. Thus, the second part of this section elaborates on how the controls with contradictory logic influence the sales agents' behaviour and attitudes toward increasing their sales outputs. The third part of this section discusses how management control may influence the sales agents' attitudes and behaviours on recruiting new sales agents. Finally, it interprets the effect control on the sales agents in terms of the desire to reduce staff turnover.

6.1.1 Control with Contradictory Logics

A number of controls have been identified in Chapter Five and the key purposes of applying those forms of control are to improve the total sales, increase the size of salesforces and reduce staff turnover. In order to meet these requirements, the company has a range of management-inspired practices and discourse with control functions to persuade the sales agents to improve their sales performance and to participate in recruiting new salespeople and build sales teams. The company believes that by improving the sales agents' sales performance and helping them to move into higher levels of hierarchy, it can improve its sales agent retention rate, because the sales agents can have a greater income and employment security. Different forms of control recognised in various managerial practices can be categorised into two main types – formally coercive control and informally normative control.

The formally coercive controls mainly consist of output controls that are based on commission based payment systems, bureaucratic control, direct control and attendant control that targets the output and behaviour of the sales agents. The first and the most significant control is mainly based on monetary incentives in terms of a commission payment and the considerable financial rewards that are associated with the sales agents' sales output and the

results of their performance appraisals. Secondly, bureaucratic control is based on formal rules and regulations and hierarchical structures showed by career paths. The sales agents would be promoted or demoted in the hierarchical structure, or even dismissed, based on the result of their quarterly performance appraisals and evaluations. Bureaucratic control can also be found in the management's intention to standardise and routinise the sales agents' working/service process through a desired working rhythm. This working rhythm is established by setting successive targets for each short period that are reinforced by additional and attractive rewards. Last but not least, direct control is usually adopted by the team leaders to closely monitor and supervise their team members through a range of activities, such as shadowing and participating in the team members' working/service process, checking their working logs on a daily basis and interviewing them if necessary.

This formally coercive form of control tends to control and influence the sales agents' sales performance and behaviours, which is very similar to the concept of technocratic forms of control (Alvesson and Kärreman, 2004; Kärreman and Alvesson, 2004). According to Alvesson and Kärreman (2004), the technocratic forms of control traditionally target objective and behavioural aspects of control and are mainly conducted through simple/direct control, technical control, occupational control and worker self-control in the context where the workers have a high degree of discretion.

On the other hand, the informally normative controls are usually found in various morning meetings and within the sales teams. Morning meetings conduct a form of normative control through internalising the company's key norm, values, and beliefs in terms of training, experience sharing and other speeches that are delivered in morning meetings. Moreover, normative control within the sales teams mainly refers to self-disciplinary and self-control under peer pressure and scrutiny, which is called "concertive control". This form of control relies on ideas, norms and rules premised and agreed by members of the sales team (Barker, 1993; Sewell, 1998). In addition, the self-discipline and self-control is also subject to constant performance appraisals and revelations. The informally normative controls mainly target the inside of the sales agents – their minds, beliefs, attitudes, feelings and emotions – and persuades the sales agents to construct their identity around the company and/or occupational

identity. This is labelled as socio-ideological forms of control by Alvesson and Kärreman (2004).

According to the research findings, different forms of control do not run in parallel to have an impact on the sales agents, rather they interface and interact with each other to influence the sales agents' outputs, behaviours, minds, beliefs, attitudes, feelings and emotions. How the different forms of control interact with each other to have an impact on the sales agents is discussed in the following text.

6.1.2 Effects of Control Associated with Output

Like other extreme sales organisations and other Chinese insurance companies, Shield Ltd mainly uses financial weapons to control the sales agents. Many of the sales agents believe that the commission-based payment system itself is sufficient for them to behave and gain a better sales performance. From this perspective, there is no need to monitor the sales agents' working process, as one interviewee said,

“I don't know how others think; I don't think it is necessary for the company to supervise someone who enters this industry to make more money. I need to feed my whole family, all by myself, since my husband had a stroke in 1998, so while others may visit five prospective clients per day, I visit ten or even more. The more [prospective clients] I visit, the higher the chance that I can make sales.” (Interview no. 31, Business Manager)

Another business manager (team leader) also said,

“It doesn't bother me that much, to supervise the team to reach the goal, because the main reason we join this industry is to make money” (interview no. 13, business manager).

A similar expression can be found in the following quote:

“I don’t quite understand why the company seeks to check our working process and status all of the time. For me, I don’t need to be pushed to work hard because I want to have enough income to cover my living expenses... I know many sales agents cannot achieve the sales targets, but I think that’s only because they don’t try hard enough... and the key reason for not trying so hard [to make a sale] is that they don’t have so much pressure in their lives.” (Interview no. 19, Customer Manager)

It can be seen in the above quotes that the sales agents can be motivated to work hard to get more income. So, from some sales agents’ point of view, using forms of control other than the financial one, that is based on the commission system, may not be necessary, and they are self-disciplined and self-controlled in the context of having a great level of autonomy and discretion. This kind of sales agent is eager to earn more money, because they usually have a high degree of family responsibility and financial burden. Therefore, they are more sensitive to the financial incentives that are linked to sales output as well as size and the performance of their sales teams. They are more likely to continuously put more effort into their sales work, including working extended hours and increasing the frequency of customer visits. In this circumstance, the sales agents and the management have a mutual interest.

However, not all of the sales agents are motivated to continuously put in effort to make more sales and visit more prospective clients by just the commission associated with their sales output alone. Given the features of insurance sales work in China, the sales agents have a high level of autonomy, so they can decide if they want to go into the field or how many prospects they want to visit in a single day. Since they are pressurised by their payment uncertainty, job insecurity and irate customers, these pressures may result in a serious burnout of the sales agents. The sales agents may want to escape from the stressful sales work and take a break, which is an unwanted behaviour that the management tend to eliminate. Therefore, the company sets additional financial rewards to motivate the sales agents to work harder. Sales targets for gaining additional rewards are higher than the ones that are written in the regulations of the quarterly performance assessments.

Most of the interviewed insurance agents have directly or implicitly mentioned that they have their sights set on their monthly sales; if they meet the targets early, they prefer to spend more time with their families and have some rest. However, many of the insurance agents declared that managerial interventions, such as providing attractive rewards and highlighting performance targets in morning meetings, have persuaded them to identify with the company's goals and to become more self-disciplined in the pursuit of a higher performance that exceeds their own expectations. For instance, an interviewee said:

“I don't expect to earn a lot of money in this business because I just want to have something to do...enough money to cover our living costs is good enough for me, and the rest is my husband's responsibility...If I finish my own target early, I would rather stay at home and have some personal time.” (Interview no. 45, Customer Manager)

However, she mentioned later in this interview that:

“Sometimes I really want to be free from the never-ending sales work, but the company has offered me some really attractive rewards. So I intend to take the challenge and earn more, no one hates money after all...I would feel bad if I didn't grab the opportunity of having more benefits. In the last sales stage, I got a bonus of 1,000RMB. I should have taken some time to rest as a reward to myself, but I really wanted to have that machine [vegetable washing machine]...The target didn't seem so unachievable...I decided to carry on.” (Interview no. 45, Customer Manager)

Another insurance agent stated that:

“If I meet my targets early or feel really exhausted, I really want to stop and have some time to rest...sometimes I do, but most of the time I have to continue visiting customers

and trying to sell more...This is what I should be doing as an insurance seller or at least this is what I've been told to do.” (Interview no. 32, Business Manager)

It can be concluded from the quotes above that although the sales agents have their preference and autonomy on deciding their sales targets and work arrangements, some of them are seduced by the additional rewards and influenced by an established identity as an insurance sales agent.

Moreover, the company also uses management-inspired discourse to promote desirable behaviour. As it has been discussed in Chapter Five, the management claims that the working rhythm designed by the company provides the sales agents with the “best way” to manage their time and arrange their sales work efficiently. Therefore, the idea of the working rhythm that is designed by the management can be seen, and so can a standard script that guides the sales agents’ behaviours towards the “best result”. It potentially influences and manipulates the sales agents’ behaviour when planning and managing their daily work, and this behaviour can be reinforced by the rewards, norms and values promoted by the working rhythm that is internalised during the morning meetings. As a result, the insurance agents’ work process can be routinised and standardised to some extent if they buy into the working rhythm that is promoted by the management.

The key aspect in the desired working rhythm is to finish the quota as early as possible, so that the sales agents could have more time to visit prospective clients and get prepared for the next period. This is a working pattern without too much pressure, because they would not need to race against time at the end of a month. For those who want to build or already have a sales team, finishing the performance targets earlier and insuring a certain level of income means that they can concentrate on recruiting without too much to worry about if they can balance the work of selling and recruiting at the same time. Similarly for the sale agents who already have a team, they can have spare time to monitor and supervise their own team members and benefit from the increased performance of their team members.

However, some of the insurance agents do not believe in the value of the proposed working rhythm, and they treat it as something that is designed to intensify their workload. A number of interviewees complained about this working pattern: one said “*there is not one relaxing thing about the working rhythm*” (Interview no. 17, Customer Manager), while another declared “*they [managers] just want to intensify our work every single day*” (Interview no. 42, Customer Manager). One interviewee specifically mentioned that:

“The working rhythm may be more acceptable to good performers and senior insurance agents, because they have already built a pool of prospects, so it doesn’t matter for them whether they make a transaction earlier or later in a month. But for most of us, we cannot ensure that we will always get enough premiums at the beginning of each month, which means that even if we achieve or exceed the performance target later in a month, we miss some attractive rewards...you know what annoys me more than missing the reward? My team leader keeps asking me about my sales progress and for the reasons why I have not made a sale.” (Interview no. 36, Customer Manager)

It can be concluded from the above quotes that the managers intervene in the insurance agents’ discretion to set performance targets and their overall work plan to help them to form a good working rhythm. Therefore, the suggested working rhythm is rather rhetorical, because advocating it as a benefit to improve the sale agents’ performance and relieve pressure conceals the intensified workload.

As a consequence, not all of the sales agents are highly motivated by the financial incentives and direct their behaviour as required by the company. There are several reasons that can be summarised from data and the early findings. Firstly, the sales agents who have a greater family responsibility and want to earn more income are motivated by the financial incentives, so they would do more to make more sales, such as increasing their number of visits. For sales agents who have less financial burden and prefer to have more personal life or leisure time, they tend to evaluate the worthiness of the rewards they get by sacrificing pleasures in the sphere of consumption (Bauman, 1988; 1992). Thirdly, management-inspired discourse

such as the working rhythm, is more acceptable for those who have a good performance. Since good performers have the capacity to achieve certain targets and get the relevant rewards, they are able to, but not necessarily want to, behave as required by the company.

However, for sale agents who lack the capacity to pursue sales targets that are higher than the minimum one, the various rewards schemes associated with the intensified and stressful sales work may cause them to have negative feelings and consequences. As a customer manager said:

“I think those rewards are attractive to all of us, but all of us don’t have the capability to achieve them. So, my point is that you shouldn’t put so much pressure on yourself... You cannot get everything that you want, so you must learn how to give up on some unrealistic goals...take me as an example. If I feel that I can get the rewards through adding on a couple more hours of effort to my schedule, then I may go for it; but if it takes up too much time, then I will just give up, because I have my own personal life that I don’t want to sacrifice.” (Interview no. 41, Customer Manager)

Moreover, other interviews expressed a more negative attitude towards various aspects of the rewards programme. For example, a customer manager mentioned:

“It doesn’t feel good to watch others continuously receive additional rewards if you have never once received any, especially when you’ve dedicated so much time to pursuing them. But, to some extent, it might be a wise way to give up some of the rewards, because these rewards are just a trick that the company uses to seduce you into working as long as possible to make profit for them.” (Interview no. 40, Customer Manager)

Another insurance agent said:

“I don’t like the way that the company pushes us to work. I think the monthly target is fair enough, and I feel more comfortable being able to manage my time according to the monthly target...the company doesn’t have to push us so much because if we don’t make a sale, then we will not get enough payment, and we are all aware of that... [but] if the company pushes us too much and tries to extract every minute of our lives by checking our progress every week or every ten days, lots of us just cannot bear the pressure, and I don’t think that this is good for us or the company.” (Interview no. 55, Customer Manager)

According to these two quotes, the intensive performance targets put great pressure on the insurance agents and cause some to experience negative feelings. This finding can be underpinned by the data that was collected from the participant observations during lunchtime. Many of the insurance agents chatted about the pressure the company was consistently putting onto them and expressed their willingness to find another job (field notes taken on 27/08/2010 and 08/09/2010). Therefore, the sales agents who could not achieve particular sales targets and could not get enough income may have greater anxiety, uncertainty and insecurity in their identity as insurance salespeople. In this context, a high level of staff turnover may emerge. By linking the findings to extant literature, it can be suggested that the sales agents are not the passive recipients of managerial-inspired discourse, rather they are actively engaged in constructing their identities by balancing their subject positions in the arena of production and consumption. The tension between the identities constructed in production and consumption provides the sales agents with a source of resistance to the managerial-inspired discourse (du Gay, 1996; Thomas and Davies, 2005; 2011).

6.1.3 Effect of Control Associated with Recruiting

On the other hand, the management control used in Shield Ltd potentially persuades the sales agents to recruit new sales agents and build a sales team. The desirable behaviour of recruiting, managing and maintaining more salespeople is driven by their insecure income and employment status. These desirable behaviours are further reinforced by using bureaucratic control that is embedded in formal rules, regulations and structures. Almost all

of the interviewed regular sales workers and customer managers expressed their willingness to recruit more agents and become business managers because of the attractive rewards and to escape the insecurity of their current income and job.

The uncertainty of the sales agents' income and their job insecurity drive them to pursue a relatively stable position and payment. Therefore, the management-oriented career path meets the sales agents' requirements of stability and security because of the attractive bonuses that are linked to the positions at higher levels in the hierarchy in this management-oriented career path, as a customer manager said,

"I'll spend more time recruiting new sales people because I think that it will benefit me in the long run. The salary of a business manager is more stable than that of a customer manager. A business manager's salary is more stable than a customer manager's. You know Ms. Cai? She has been a senior customer manager for nine years, and I compared her pay sheet with Ms. Ren's [Ms. Cai's team leader and recruiter]. Ms. Ren can earn at least 18,000 RMB per month, but Ms. Cai sometimes only earns 4,000 RMB per month if the work doesn't go well. A person who has had nine years of work experience sometimes earns only a few thousand RMB per month. Can you believe that? This [insurance sales work] is a tough business; if you don't have your own team, you cannot secure your income. So, I firmly decided to build my own team; the better my team members perform, the higher the income I can secure. Even if I am not able to sell any insurance products for one or two months, I still get paid because of my members' performance." (Interviewee no. 15, Customer Manager)

This further constitutes a collected identity with sales teams and with the company. As a customer manager who was trying to build her sales teams said,

"My financial situation has become better after I have recruited two members. I have to say, it feels different to have working partners. I'm not only responsible for improving my own sales work, but also responsible for improving theirs, so I feel

empowered and I feel great. It would be even greater if I can keep them and recruit more [new salespeople].” (Interview no. 16, Customer Manager)

Since the insurance sales agents sign an agency contract with the company, they usually have a fragile relationship with it. This can be seen as another reason behind the high staff turnover. To facilitate a sense of belonging to the company and promote collective identities to increase the sales agents’ retention rate, the company encourages all of the sales agents to pursue the management-oriented career path by recruiting new salespeople and building their own sales teams. There are several similarities between this career development path and hierarchies in traditional steady employment that provide insurance sales agents with greater employment and financial security.

As it has been mentioned in last section, the sales agents are encouraged to and want to recruit as many new sales agents as possible. The instant rewards and more stable employment status from recruiting new sales agents motivate them to increase their number of recruits. For some sales agents, they would prefer to recruit someone that they already know, such as their former colleagues, clients, friends or relatives. Therefore, within some sales teams, team members have a personal relationship with the team leader and/or the people who recruited them before they were recruited into Shield Ltd. As the sales agents have a preference towards recruiting their own team, the crucial question for them is where to find the candidates and how to convince them to join the company. As has been mentioned before, the insurance sales force consists of people who have been considered as low level salespeople, especially during the early stages of the development of China’s insurance industry, and the value of insurance sales work has been underestimated by the public for a long time. The insufficient institutional policies and regulations have caused many problems and even chaos in the insurance market. Therefore, their relatively poor reputation, combined with other socio-cultural influences, has undermined the acceptability of viewing insurance sales work as a potential job.

In this context, the sales agents usually find it difficult to convince strangers to become an insurance sales worker. For example, a sales agent said,

“Because of the bad reputation, I can hardly recruit proper people. Sometimes I made two to three hundreds phone calls, and yet there may be around ten people who come to the interview. It is not too bad if two or three of them would join the company.”

(Interview no. 13, Business Manager)

As a consequence, when a sales agent prepares to recruit, he/she often begins with reviewing his/her social network to search for possible candidates. Thanks to the existing personal relationships, candidates hardly reject or criticise the sales agents' invitations in consideration of their friendship and affection. Therefore, meeting familiar people and convincing them to join the company can be easier and less stressful for the sales agents, because they do not have to be concerned with the possible humiliation or contempt from less known potential candidates.

Some of the sales agents tend to recruit their existing clients, and those clients usually have friendships with the sales agents that were established during their early service interactions. During service interactions, sales agents tend to focus on the values and the benefits of the insurance products, as well as to show the bright future of both their company and the insurance industry regarding their prospects in order to gain their acceptance and belief in the insurance products and an approval of their job. When they become clients, the sales agents may perceive that he/she has accepted the value of the insurance products and trusted their work. Moreover, some clients may show curiosity and/or interest in the insurance sales work. Then, the sales agents tend to record these clients and consider their personal information, such as their financial status, family situation and current job, in order to speculate as to whether they could be candidates.

In addition, previous colleagues are another target for candidates. For many of the sales agents, insurance is not the first job that they have acquired. For those sales agents who have left their previous jobs voluntarily, the main reason for leaving was job dissatisfaction, including an unsatisfactory income, conditions and co-worker relationships, as well as various work restrictions, etc. If they recruit some of their previous colleagues, the similar

work experiences—especially those negative aspects—can be a good starting point to persuade them. Moreover, the sales agents frequently compare their current, better, income with their previous job's income to attract their colleagues to join the business. As a customer manager mentioned: *"I don't have to talk so much about the company, I just tell them how much I can earn right now"* (Interview no.17, Customer Manager).

Another sales agent said:

"I was introduced by Ms. Hu. She is my team leader now and we have known each other for years...we all worked in a shopping mall selling clothes...when she asked me to try the insurance business...I made a quick decision, because I trust her." (Interview no. 41, Customer Manager)

However, even though many sales agents have stressed that they only intend to recruit those friends or family members who have a really low-level or non-permanent job, recruiting acquaintances is a double-edged sword when developing a sales teams. The benefit is obviously that sales agents do not have to spend much time convincing them to join the business, and the existing relationships could potentially increase the cohesion of the team. On the other hand, the negative influences are very significant. It is difficult for team leaders to supervise the work of their friends or family in coercive ways if they do not meet their performance targets. Moreover, these team members are usually optimistic of garnering their recruiter's assistance when they face problems in their work. If the expectation cannot be fulfilled, they may become more dissatisfied than other members, because they view the unconditional assistance as a responsibility of their friend who brought them into this business. The socio-affective aspect of their relationship can be gradually damaged by the more instrumental aspects of the work relationship.

"It is difficult to maintain friends on your team. They always ask too much and complain too much...if they are doing well, that's good news, but if they are not, they blame you all of the time...recruiting friends can be the fastest way of ruining your friendships, but for those who desire to build teams quickly, this might be their first choice." (Interview no. 14, Customer Manager)

As can be drawn from the quote above, recruiting friends can be risky and it is difficult to keep them in the company. Sales agents may be able to establish their team quickly by these means, but they may also lose their team members and they may be demoted to the level of a customer manager. This potentially has negative influences on their confidence and enthusiasm. Some of them may stop trying to build their own team and may prefer to work alone, which brings back the challenges and pressures that they faced before becoming a team leader. In addition, the failed examples of team establishments may also affect the other sales agents' attitudes towards recruiting. A business manager said:

“I know a lot of people who would rather work solely. This is not because they don't want to build their own team, but they are afraid of failures. One of my team members told me ‘I have to put more effort into finding candidates, convincing them, teaching them, but I may have nothing in the end. So I'd rather not get started and just focus on my own job’. That makes sense, and I quite understand her...the high turnover destroys many sales agents' intentions [on recruiting]...so I think if you'd like to avoid losing too many members, you should choose your candidates more carefully.” (Interview no. 35, Business Manager)

Consequently, recruiting the right type of sales agent is crucial for both the company and the sales teams. Although it might be problematic to recruit existing customers and acquaintances, it can also benefit the sales team through the possible cohesiveness between the team leaders and the team members, which may results in a harmonious work environment. The close relationship between the team leader and the team members potentially reduces the tensions that emerge from interactions with customers.

6.1.4 Effects of Control Associated with Turnover

There is a very high staff turnover at Shield Ltd. As an executive mentioned, the thirteenth month retention ratio is no better than the average figure for the retention ratio throughout China's insurance industry. This means that only approximately 30% of the sales agents still work for the company in their thirteenth month after joining it, and only about 15% of the

sales agents work for the company after two years. There are two major reasons that cause this high staff turnover. The first is the insecurity of the sales agents' income and employment status. The second reason is the serious burnout from irate and abusive prospects and clients. The turnover caused by the low income and unstable employment relationship is possibly reduced through the control targets aimed at improving the individual sales agents' sales performance and the encouragement to build their own sales team. This point is discussed in the last two parts of this section. This part, on the other hand, focuses on how the morning meetings contribute to reducing the company's staff turnover.

Insurance sales work can be exhausting and stressful. The pressure imposed by rigorous performance indicators, the pursuit of financial incentives and self-improvement, the mistreatment and abuse by customers, and enduring loneliness throughout this individual work could cause significant burnout among the sales workers. This results in a high level of staff turnover. The sales agents are largely misjudged and unappreciated by a large proportion of the Chinese population, so their social and professional status is somewhat undervalued. They frequently encounter disrespectful and rude customers, who challenge the value and morality of both the sales agent themselves and the insurance industry. This is partly due to the poor reputation of China's insurance industry and the poor behaviour of the salespeople throughout the early stages of the industry's development. Moreover, the unwillingness to talk about tragedy and death in China is another reason that explains the irate responses from customers. Under these conditions, the sales agents may become uncertain about the value and meaning of their job and they may lose faith in their company, occupation, or even the entire insurance industry. Therefore, the sales agents' perceptions of their occupational and organisational identity are rather unstable.

The company seeks to find ways to reduce the sales agents' burnout and their negative feelings associated with the job and to rebuild their self-confidence and belief in the company. On the other hand, the sales agents would also need to possess a high level of enthusiasm and patience to deal with prospective clients who do not trust either insurance sales agents or the insurance products themselves. Otherwise, they may leave the profession in order to avoid such irate customers.

From the managers' perspective, attending morning meetings is crucial for the sales agents to escape any negative feelings, such as tiredness and burnout that is generated during the work of the previous day. A department manager said,

“The sales agents’ feelings can be damaged after a long day of dealing with customers; the passion and enthusiasm for work may be gone at the end of each day... sometimes, the monetary rewards cannot motivate them to work hard on another day or even keep them in the business, so we need to help them to rebuild their passion, enthusiasm, and confidence before meeting customers every day to make sure that they can stand another tough day.” (Interviewee no. 4, Department Manager)

Many sales agents mentioned that their passion and confidence are eroded after a long and hard day of fieldwork, and this has a negative influence on their future work. For instance, an interviewee said, *“I just want to go home if I am turned down by maybe five or six people. I feel exhausted and do not have [the] courage and confidence to carry on”* (Interview no. 17, Customer Manager).

A similar point of view was shared by another interviewee:

“I think many people would not go into the field if they were frustrated the previous day. Even if I have a tough day and want to rest the next day, I still have to go to the company for morning meetings regardless of whether or not I decide to go into the field later that day. So, I might change my mind after [the] morning meetings because those meetings really cheer me up.” (Interview no. 21, Customer Manager)

Therefore, one important role of the morning meetings is to boost the agents' morale by rebuilding their confidence and enthusiasm for future work. The management is aware that attending morning meetings potentially reduces the turnover of sales agents. The sales agents may stop going into the field for days if depression and burnout are not addressed promptly. If the sales agents are constantly slacking off, their performance could decrease, thereby

further generating insecurity with regards to their income. After some time, the sales agents may leave the company or even the industry because of the continuous pressure, burnout, and unsolved difficulties that are experienced at work.

On the other hand, even if the morning meetings are unable to solve all the problems or rebuild the confidence and passion among the sales agents, at least they are forced to leave their homes and to go to the office every working day to attend these meetings. This potentially reduces the possibility of the sales agents slacking off at home. Many of the interviewees said that they go into the field directly after the morning meetings and continue their sales work even if they had a tough day previously and wanted to rest. For example, a customer manager said “*I have left home already, so why not give it another try* [continue the work of promoting insurance products to prospective clients]”? (Interview no. 18, Customer Manager)

If the sales agents slack and stop going into the field because of the pressure from irate and abusive clients, they are more likely to leave the company soon. This is because without continuing to meet prospects and sell insurance products, the sales agents would not get paid. So sooner or later, they would leave the company for not earning enough.

Secondly, the morning meetings conduct counselling and training functions. Since particular problems could be identified and solved more easily in the morning meetings, the sales agents are more likely to understanding how to provide a quality service and satisfy the requirements of other clients in the following work. The various training sessions help the sales agent to improve themselves in many aspects, such as their professional knowledge on insurance sales and the skills to deal with different types of clients. Therefore, the counselling and training functions of the morning meetings promote a customer-oriented value that a quality service should be delivered to the clients with different needs. Any problem that has emerged during the work process that may erode this value should be corrected quickly and effectively.

6.2 The Triangle Relationship between Management, Sales Agents and Clients

This section provides a discussion on the triangle relationship between the management, sales agents and clients in terms of the effects of various controls that are used by Shield Ltd in the context of China's insurance industry. It first discusses the relationship between the management and their sales agents. Different from other extreme sales work where the management can be distant from the sales workers, the management at Shield Ltd plays an important role in controlling and supporting the sales agents. This section discusses the co-worker relationship among the sales agents. Sales work is a highly individualised work, and sales workers are usually independent of each other throughout their sales work. However, the research data shows that many of the sales agents at Shield Ltd support their co-workers both in the sales work process and in off-stage areas. Co-worker assistance and informal communities of coping are also discussed in this second part. The third part of this section focuses on the relationship between the sales agents and their clients. As China's insurance sales work has a relatively low reputation, the sales agents experience significant customer abuse during their sales work. The irate and abusive clients not only increase the stress and burnout that is experienced by the sales agents during their interactions, but they also make it difficult for the sales agents to successfully promote insurance products to strangers. In order to offset the negative influences of these irate and abusive clients and improve their sales performance, the sales agents tend to build an ongoing relationship with their clients and to let them consume the enchanting myth of customer sovereignty.

6.2.1 The Relationship between Management and their Sales Agents

It can be drawn from the findings that interests between the company and the sales agents are not always in conflict. A considerable number of sales agents joined the company because of the attractive commission based payment system. As the sales agents tend to increase their incomes while the management seeks to increase the total premium income, the sales agents and their management have very similar interests, especially in the case where the sales agents are ambitious and have the capacity to earn big commissions. On the other hand, the findings also indicate that the management wants to maximise the sales agents' effort that is put into their sales work, but in some cases the sales agents have their preference somewhere in the balance between work and leisure.

In contrast, when the sales agents have a rather poor performance and are not able to meet the minimum sales target, their relationship with the company becomes more fragile. As it has been discussed in Chapter 5, the sales agents who have a poor performance and a lack of capacity to meet the minimum target are more likely to suffer from a high degree of alienation with the company. As a quasi-independent contractor, this kind of sales agents may decide to leave the company to find another job with a basic salary. As a business manager said:

“It is extremely difficult for us to keep salespeople... the nature of our work makes it easy for sales agents to decide to leave the company because this is not like a permanent job. You can quit the job very easily – just stop selling.” (Interviewee no. 31, Business Manager)

Furthermore, the management helps their sales agents to cope with burnout from irate and abusive clients. Leidner (1993) argues that customers are more likely to express discourtesy to front-line workers when the bureaucratic “inflexible routines” intrude upon the service interactions (Korczynski, 2003). In the case of Shield Ltd, prospective clients express discourtesy because of the negative reputation of China’s insurance industry rather than the bureaucratic “inflexible routines”.

The company seeks to promote a strong culture by which the sales agents and the company can mutually benefit. The company provides learning and development opportunities for sales agents at the morning meetings to help them to deal with irrational and irate customers. Furthermore, the relationship between the team leader and the team members or the relationship between the managers and their sales agents could be described as one between a teacher and a student. This was implied not only by the classroom-like decoration, but also by the language that the sales agents used to describe some of their activities. For example, a department manager said the following during a morning meeting:

“We are a family indeed...every team leader has the responsibility to help his/her team members to earn more and encourage them to build their own teams...just like parents taking care of their kids and teachers educating their students, our team leaders are expected to help their team members to deal with various problems and give them proper training and to help them earn more...when they [team members] achieve success, they are not only benefitting from their success but also accredited for their achievements...” (Morning Meeting no.2, Beijing)

Similarly, many team leaders have expressed that teaching a newcomer and providing help to team members is a part of their duty as team leaders. One business manager said, *“I brought them into this industry, so [it] is my responsibility to help them [her team members] [improve] and [learn] more”* (Interview no. 29 – Business Manager). One department manager stated the following during a morning meeting,

“I’m a tutor, not a manager to you. I teach you how to increase your income and secure your work. You can ask me anything that may bother you – your work, your social life, or your dream – anything. I’m here for you and will do my best to help you to grow.” (Morning Meeting no.14, Inner Mongolia)

By using the metaphor of the teacher and their students, it is highly unlikely that the relationship between the managers (including the team leaders) and the sales agents could be considered as obtrusive. It is quite normal for a teacher to check the students’ homework and criticise them if they have under-performed. Therefore, the close supervision, direct control, and other coercive controls are normalised as a means to help the sales agents improve themselves.

Moreover, the management also seeks to improve the sales agents’ social status by treating them as “educationalists” rather than salespeople. A business manager read a paragraph from a book that was written by an outstanding insurance sales agent during a morning meeting: *“Insurance is a great business. We are not only insurance salespeople, but also educationists,*

and we must become educationists” (Morning Meeting no. 3, Beijing Branch). The business manager also mentioned that:

“As educationists, we should teach more customers about ‘what is risk’? What tools can be used to avoid risks? How [do I] choose the right tools? Of course, the tool is insurance...we are responsible for the rest of their [the customers’] life, so we should consistently provide a good service after making a sale.” (Morning Meeting no. 3, Beijing Branch)

An occupational ideology is developed by emphasising the positive value of insurance products, instilling faith and belief in the insurance products, and by forming an appropriate imagery of the customer. In this case, the public do not understand the value and meaning of the insurance products, so the sales agents need to help them to understand how they can benefit from the insurance products. This paternalistic image that is held by the sales agents not only legitimises the manipulation of the prospective clients during the sales process, but it also reduces the pressure that is generated during sales interactions (Korczynski, 2002; Morgan and Knights, 1992). Many of the interviewees mentioned that dealing with mistreatment and misunderstanding from the public and prospective clients is part of their job. For example:

“Of course, there [is] a lot of pressure and burnout [which comes] from the public, because it is extremely difficult to promote insurance to those people who do not trust insurance companies or do not understand the real meaning of insurance. But, this is a part of our job, isn’t it? We should tell the public more about the benefit of insurance products; sooner or later, insurance will be acknowledged and appreciated.” (Interview no. 42, Customer Manager)

Consequently, the management normalises the stressful and negative aspects of insurance sales work by infusing an optimistic future of the insurance industry, the positive value of insurance products, and a paternalistic image among the insurance salespeople. A “win-win-

win” situation is promoted where not only the sales agents and the company benefit, but also the customers benefit by being protected from risks with annual dividends and bonuses. The negative feelings and emotions are also neutralised by emphasising that those difficulties are an essential part of the work in the early stages of the development of China’s insurance industry. Therefore, the sales agents are encouraged to find ways to overcome these difficulties rather than escape them altogether. The company stands up for the sales agents, and it helps them to overcome these challenges by providing them with various training courses and counselling.

The management implies a cognitive restructuring and stress management through running training sessions and counselling in the morning meetings. The negative image about the insurance sales work is neutralised by infusing a positive value of the sales work in the morning meetings. The irate and abusive clients are legitimated as a part of the job. A key norm that is delivered in some training sessions and counselling is that being more stressed fits in as a part of the job. Newton et al. (1999) refer to the stress management that individual workers could use to cope with the causes of stress better, and therefore improve their productivity. Thus, the morning meetings function as stress management techniques that “pre-empt the creation of communities of coping” (Korczynski, 2003, p.75) with the irate and abusive clients.

Moreover, the morning meetings at Shield Ltd celebrate the achievement of the insurance industry, the company and the individual sales agents. These rituals build and rebuild the sales agents’ belief and faith in the insurance industry and the insurance products that they are selling. The pleasure that is derived from these achievements and successes potentially help the sales agent to cope with the burnout from irate and abusive clients. As Korczynski (2003) argues, communal rituals that celebrate the cheerful aspects of front-line service work help workers to cope with their pain from irate customers. The key information that “management wished to convey was that it was worth putting up with some pain and some stress in order to glean the reward from the emotional labour” (Korczynski, 2003, p.75).

6.2.2 The Relationship among Sales Agents

In this sub-section, attention is paid to the relationship among the sales agents. In general, the labour process of the sales agents at Shield Ltd is highly individual in its nature. The management initiates a range of management practices to foster a competitive environment for the individual sales agents. It can be seen from the research findings that both the Beijing and Inner Mongolia branches encourage their sales agents to compete against each other through the ranking and publishing of their sales results in front of others. In addition, individualised sales agents tend to improve their individual competitiveness among others when competing for potential clients and rare rewards from the organisation. It has been suggested by Lloyd and Newell (1999) that from this point of view, sales work has little incentive to share information upwards or with peers. For this reason, teamwork is largely absent in the extreme forms of sales work.

However, the sales teams in Shield Ltd meet the insurance agents' social needs. Normally, insurance sales work has been viewed as highly individualised work, with little interdependence among the sales agents. However, the primary data shows that the degree of individualisation depends on the insurance agents' preferences and self-interest, and that when the sales teams are promoted by the management, a favourable environment is created for the emergence of interdependence among the insurance agents. The encouragement to build sales teams is originally sales-oriented and aimed at increasing total sales. Although Shield Ltd does not formally require its insurance sales agents on a team to work together in the sale process, a significant number of the insurance representatives go into the field together, and they interact with and influence each other's attitudes and behaviours.

Therefore, many of the sales agents attempt to build their own sales teams, not only because of the attractive financial bonuses, but also because of the need to neutralise the pressure, anxiety, and insecurity that is related to the sales work. Being a successful team leader is viewed as being a permanent employee by many of the sales agents, so the insecurity related to the sales agents' "quasi-independent" contract jobs is reduced and their employment security is reinforced.

Moreover, the sales agents perceive their sales teams as a personal resource. One customer manager stated,

“At first, I felt good working solely in my current team until last December, when I got a strong feeling of loneliness; then, I started to consider building my own team.”

(Interviewee no. 15, Customer Manager)

It can be concluded from the quote above that, besides the monetary consideration, building a team helps the sales agents to make an attempt to fulfil their emotional needs. The internal work relationship in China's insurance industry is quite similar to that in direct sales firms where their sales agents feel alienated by other people, both inside and outside of their firm, which leads to a higher turnover of staff (Butterfield, 1985). This is partially true at Shield Ltd. In this case, the negative feelings of being alone and dealing with irate and abusive clients during the work process could be neutralised through interactions among other sales agents. The interactions among these sales agents include co-worker support during the labour process of the insurance sales work and informal coping in off-stage areas.

First, the effort of “fighting alone” with unreasonable customers places immense pressure and stress on the sales agents, causing pain and pushing them to seek support from others. Bakker et al. (2006) stated that the informal relationship between team members can reduce such negative feelings. According to a customer manager:

“The sales agents usually work individually, but on our team, many of the members visit customers together so that they can help each other during the selling process...I feel supported and less stressed if I work with someone else during customer encounters; sometimes, you have to face some really harsh customers, so being accompanied by a colleague puts me at ease...” (Interviewee no. 39, Customer Manager)

Similarly, this can be drawn from the data that was collected from shadowing two sales agents who went into the field together (Shadowing no. 1, two customer managers). According to the field notes, one customer manager was recruited by the other one and they basically visit perspective clients together every day. The recruiter said to the researcher while travelling between destinations that:

“I was a teacher in a primary school which is a respected job...I just cannot get used

to the contempt that is shown by prospective clients, because I had a decent job before and I know the feeling of being respected. I always bring Li [the sales agent recruited by her] into the field, not only because I would like to teach her how to do the work, but also because I feel less awkward and embarrassed when I am refused by a disrespecting prospect.” (Fieldnote of Shadowing no.1).

Although sales work is a highly individualised work, many of the sales agents expressed that they tend to go into the field and visit prospective clients with a colleague. Sales agents may be less stressed during the sales interactions, since they could support each other to deal with questions and the requirements that are raised by their prospective clients. Moreover, being accompanied by another sales agent potentially reduces the burnout from irate and abusive clients during interactions, as the sales agents could support each other emotionally by simply appearing as one during the sales process. In addition, between each client visit the sales agents can express their negative feelings about the pervious visit with each other and gain some comfort together. For example, a sales agent talked to her colleague and the researcher after being turned down by several prospects in a shopping mall, she said:

“We need to change our target population to promote the insurance, these shopkeepers are so low and so rude. We need to find some people who have a basic understanding about insurance, so that they may be more polite and patient with us” (Fieldnote of Shadowing no.1)

Similar talks were also heard during lunch time with the sales agents. They talked of their negative feelings about the sales work and used bad words towards the prospects who have given them a hard time and are less likely to buy the insurance in the future. The words used to describe the prospects included “low”, “rude”, “unreasonable”, “ignorant” and “stupid” (Fieldnote of Shadowing no.1; Fieldnote taken on 27/08/2010; 30/08/ 2010 and 08/09/2010). However, different from the findings of pervious literature (e.g., Korczynski, 2003), this shared group culture of cynicism toward the clients is not forbidden by the management. As it has been discussed before, the management tends to improve the sales agents’ social status by infusing a positive value of the insurance sales work and calls the sales agents educationalists and pioneers. So, dealing with irate and abusive clients who do not have sufficient knowledge is a part of the job. Moreover, using cynicism towards the clients potentially neutralises the

pressure from these irate and abusive clients by criticising those who have questioned and criticised the insurance sales work. The normalising tactic implied in this cynicism is cognitive and is operated through condemning the condemners (Ashforth, et al., 2007).

On the other hand, the expression of negative emotions and feelings usually happens in off-stage areas, such as during lunch and on their way to field work. The sales agents are aware that they should not express such negative emotions and feelings in the workplace, rather they talk about these emotions and feelings more privately. This argument has been discussed by linking to the shared experience during the morning meetings in Chapter Five. Although the management does not provide standardised scripts on what should be and what should not be shared during the morning meetings, the sales agents tend to express positive attitudes and feelings during the morning meetings. In this situation, key norms and values are internalised by the sales agents, so they tend to identify themselves with both the company and the occupation. As a result, the informal way of coping with the irate and abusive clients through cynicism is not explicitly forbidden by the company, but it usually happens more privately in off-stage areas.

It has been suggested that the “logic of the communities of coping works against the logic of an ethos of individual competitiveness” (Korczynski, 2003, p.73). The research findings in this study show that a high level of individual competitiveness is not always contradictory to a culture of communities of coping. This may imply that the sales agents’ willingness of reducing burnout from irate and abusive clients may be greater than their willingness to compete with each other in some situations.

6.2.3 The Relationship between the Sales Agents and their Clients

The relationship between the sales agents and their clients appears to be less instrumental when compared to other sales work. Moreover, the managerial practices suggest that there is an ongoing relationship between the sales agents and their clients rather than a customer encounter.

The renewal commission can have a positive influence on the sales agents, as it helps to reduce the financial pressure on them and it motivates them to pay more attention to client

maintenance. Therefore, a customer-related value is implied in the renewal commission. This argument can be supported by the following quote:

“I have no pressure or anxiety related to financial issues once I earn through renewal commissions.... I don't have to worry about my income...but I do need to spend some time revisiting my existing clients and satisfying their needs.” (Interview no. 37, Customer Manager)

The financial incentive that is embraced in the renewal commission encourages the sales agents to build long-term relationships with their clients through satisfying their requirements and needs. This refers to a customer-related value that the sales agents should allow their clients to consume the enchanting myth of customer sovereignty (Korczynski, 2000, 2002). For example, a sales agent visited one of her clients on his birthday with a large carton of milk as a gift. She said to the customer,

“I hope everything is fine with you.... Happy Birthday, and I brought you a little gift. I cannot afford something expensive, but I know that your son is in his growth phase, and I think that this might be good for his health.... May I ask whether you have any problems with or questions about your current insurance, or if there is anything I can help with?” (Shadowing no. 3 Customer Manager)

The customer said that he was happy with the payback and that he had no questions about the current insurance. Then, the sales worker said,

“Great, that means that we don't have to change anything about your insurance, I think your current insurance is quite beneficial, I don't always recommend to people that they change or stop their insurance, because they could lose a fortune, and the previous premiums they have paid are gone too.... If you have any inquiries or requirements about the insurance, or need any help either relating to the business or not, just give me a call.... I didn't see your son today, how is he doing?.... I really like him, so smart and

cute. Is he going to primary school next year? (The customer said 'yes') Well, we have several good insurance policies for children's health and educational funds. Just pay a little every year and he can enjoy health insurance and get a large sum in educational funds when he is 18 years old. Tuition fees for university are now increasing every year, so I suggest that you start saving up for him.... I'm not persuading you to buy additional insurance, because there are other ways to save, but if you are interested in this kind of policy, you can give me a call as well, and I will explain every detail to you."

(Shadowing no. 3 Customer Manager)

This kind of client revisit is common at Shield Ltd. The sales agents tend to provide additional services and bring some gifts to their current clients to exhilarate them. A more friendly and trusting relationship could gradually be built up. It can be drawn from the quote above, that the sales agent showed that she cares about her client by showing up and giving a present on her client's birthday. This can also be seen as an opportunity to provide additional services and promote new insurance products to this client. It has been generally accepted by the sales agents that it is easier to convince current clients to buy more insurance if there is a friendly relationship between them. This focus on establishing and maintaining friendships with the existing customers is known as "affective investment". An agent stated the following in an interview:

"Affective investment is absolutely necessary.... Friendship means that there is high trust, and maintaining friendships with my customers means that they are not likely to be stolen by other sales agents, but they are more likely to buy more insurance policies from me or introduce me to their friends who might want to buy insurance products.... Sooner or later, there will be a friendship network and the people in this network will all be prospective customers.... Most of us send text messages to our customers on holidays and birthdays, or even show up personally with a little gift. You know, the company offers us a lot of stuff as rewards when we achieve particular targets, and we usually give this stuff to customers as gifts." (Interview no. 12, Business Manager)

Therefore, the relationship between the sales agents and their clients appears to be less instrumental as it is masked under the rhetoric of client care and friendship. Sales work is mainly driven by commission, which in other words, is driven by marketisation. From this perspective, the substantive emotional bearing of the sales worker to their customer is instrumental so that the customer can be seen as a means to an end to make as many sales as possible (Korczynski, 2009). As it has been discussed by Oakes (1990), the prospect's money is the ultimate concern of sales rather than the product or service that is provided for sale, therefore, the prospect is an instrument of the sales process to gain more money from them. Due to the nature of insurance sales work in China, the relationship between the sales agents and their clients is instrumental. Since the prospective customers are seen as a carrier of money and a way to accomplish sales goals, he/she becomes less of a person to the salespeople, which leads to a high subjective sense of alienation regarding the customer (Korczynski, 2009). However, in the case of Shield Ltd, the sales agents tend to develop a more friendly and long term relationship with both their current clients and new prospective clients which implies that there is a caring approach to the clients. In order to have an ongoing relationship with clients and prospects, the sales agents tend to spend more time getting to know them in more informal ways, such as sending their greetings on special days, inviting them for a meal or a trip and understanding their real needs with insurance. As a result, the relationship between the sales agents and the clients may appear less instrumental when the sales agents show their concerns and show that they care about their clients and prospects and help them to choose the most suitable insurance products rather than just sell them as much as possible. In this situation, there is a relatively high level of trust between the sales agents and their clients and the sales agents' subjective sense of alienation vis-à-vis their clients is relatively low.

In addition, developing an ongoing relationship with existing clients contributes to an enlarged pool of prospects. The process of meeting strangers on the street and persuading them to buy insurance policies can be tough, as well as stressful for the sales agents. Many of the sales agents tend to be introduced to prospective clients through their current clients. This can be viewed as another incentive for sales agents to provide a good service and maintain a healthy long-term relationship with their existing clients. As a business manager said,

“We need to improve our service quality, because starting a new market is never as easy as taking advantage of good relationships with current clients to make new ones.... If you can win the trust of your current clients, they will be willing to introduce their acquaintances to you.... I made eight sales in three months just by this means...I didn't even have to spend time talking to them about the insurance industry in order to get their acceptance, because my old clients had already done that for me. All I needed to do was explain the specific insurance products that they were already interested in.”(Interview no. 35, Business Manager)

This sales strategy relies on the social network among the current clients and prospects. Prospective clients may be more willing to accept the insurance company or specific insurance policies when they receive related information from their acquaintances and family members who have already bought insurance from the company. In this way, trust has been established between the prospects and sales agents to some extent, before their face-to-face interaction, through the intermediation of existing clients who have social relationships with both parties. Therefore, in order to enlarge their sales network, the sales agents attempt to provide quality services to satisfy their current clients and develop deeper personal relationships with them. Many of the sales agents interviewed mentioned that they regularly contacted their current clients, either over the phone or in person, to understand their current situation or send greetings on special holidays or other events. When a more socio-affective relationship (Hwang, 1987) has been established, the clients may be more willing to accept the sales agents' requests to advertise them to their acquaintances.

6.3 Beyond the Customer-Oriented Bureaucracy (COB)

According to the nature of front-line service work, three main problems of controlling front-line service work have been identified by Korczynski (2000, 2002) including the variable and diverse needs of customers, the working process is not observable and the output measurement is ambiguous. Compared to the sales work at Shield Ltd, as sales-oriented work, the output of the insurance agents can be measured unambiguously. So it is possible for the company to control their salespeople by linking their sales output to commissions and other financial rewards. This control strategy is common in extreme sales work.

Moreover, in the context of China's insurance industry, the needs of the clients are variable and diverse which cannot be easily predicted by the management. As a sales agent mentioned during a morning meeting:

“Perspective clients have different requirements from the insurance products. Some may be interested in insurance products with dividends while some others may prefer to buy children's insurance. However, many prospects do not really know which kind of product is more suitable for them. So, we need to understand their personal and family information and give them professional advice on how to choose the right insurance products.” (Morning Meeting, no. 13, Inner Mongolia Branch)

Helping clients to choose suitable insurance products possibly increases the clients' satisfaction in the product that they bought and the service that they are given by the sales agent. Thus, they are more likely to pay their premium continuously in the following years. In order to meet the clients' diverse needs and provide a high quality service, the sales agents are expected to improve their communication skills and professional knowledge. Morning meetings provide time and space to learn knowledge ranging from communication skills, information about insurance products, current financial markets, etc. Various counselling and training sessions provided in the morning meetings imply that there is a customer-oriented value that the sales agents should improve the service quality by satisfying their client's different requirements. Moreover, sales agents may also need to spend more time communicating with their prospective clients and to understand their real situation fully. Given the low reputation feature of the insurance industry in China, the sales agents also need more time to convince prospective clients of the value and benefit of the insurance products.

On the other hand, similar with other front-line service work, the insurance sales agents have a high degree of autonomy and discretion over their work methods and time. The sales agents' working process is less visible to the management, therefore, the company empowers the sales agents to direct control over the sales agents that have been recruited by them. The financial connection between the recruiter and people who have been recruited further

promotes this direct control. In addition, another bureaucratic solution for the unobservable working process is to collect relevant information from alternative sources. In this case, the sales agents' working process can be checked through the customer visit receipts, work log and by interviewing them. Moreover, one fundamental difference between regular front-line service work and sales work is that the output of the sales work can be unambiguously measured. As a result, the salespeople are usually assessed and controlled in terms of their sales results. Moreover, the company also uses normative control through infusing and internalising key norms and values of this work and through peer pressure and scrutiny in the setting of the sales team. Similar arguments can be found in other researchers' work.

As it has been suggested by scholars, the management could adopt either a normative control to develop customer-oriented values and norms or a bureaucratic solution to improve managerial knowledge and measure the real working process (Fuller and Smith, 1991; Korczynski, 2002; Warhurst et al., 2009). The former normative control usually refers to a strong culture and an internalised "myth of customer sovereignty" to improve service quality, to deliver customer-oriented behaviours and to meet the customers' requirements. The latter bureaucratic solution can be implemented by using alternative sources of information to monitor the front-line service process, for example, by hiring mystery shoppers (Fuller and Smith, 1991).

Furthermore, the previous literature on sales work suggests that there might be a management vacuum in some extreme sales work, because salespeople have great autonomy and discretion on deciding their works' content and process (Clarke, 2000). However, many researchers have shown that management seeks to intervene with their salespeople's labour process through both bureaucratic and normative controls. For instance, Leidner (1993) suggests that the insurance sales process can be routinised and standardised by providing the salespeople with simple scripts in each service encounter. And this bureaucratic form of control is frequently found in fast food outlets such as McDonald's (Ritzer, 1996). In addition, since there is an increasing number of sales work that involves service elements, a customer-oriented value and behaviour may be promoted by those mixed service and sales organisations. For example, insurance salespeople may be recruited for their customer-related personality and their approach to values sales.

In the context of Shield Ltd, a customer-oriented value is important for the sales agents to get new clients and to maintain their existing clients as it has been discussed in Chapter 5. The management tends to internalise such customer-oriented values in the morning meetings through counselling, training sessions, rituals and experience sharing. Thus, the sales agents may learn customer-oriented value through the company's advice, their own experiences and others' success cases. Simple scripts that guide the sales process are also provided in the morning meetings. However, different from Leidner's (1993) argument that it can be seen as a way to routinise and standardise the sales process, rather these scripts are provided for newcomers to follow and learn in their early stages as insurance sales agents. Rather than routinise and standardise the sales process by given possible conversations between sales agents and clients, the management routinise and standardise the general working arrangements and schedules through a desirable working rhythm.

According to Korczynski's (2000, 2002, 2007) arguments on the model of COB, front-line service workers are not only required to deliver services efficiently, but they must also deliver them with a high quality. This dual logic can be found in the control of the insurance salespeople at Shield Ltd as the sales agents not only need to improve the volume of first year premiums sold, but they also need to satisfy the customers' requirement by providing a high quality and professional service. The idea of customer-oriented bureaucracy can be found in formally coercive controls and informally normative controls as described above.

Based on the findings discussed in both Chapter 5 and Chapter 6, the model of customer-oriented bureaucracy can be extended in term of unnecessary conflict between an improved quality of work and an improved quantity of sales. The basic logic of extending the COB is to consider the relationship between sales efficiency and service quality in the long-term. The sales agents are gradually learning the knowledge and skills related to insurance sales work in training sessions and through real practice of dealing with prospective clients. Once the sales agents have accumulated more knowledge and experience in insurance sales, they could possibly recognise those prospects who are more likely to purchase the product in the near future and pay more attention to these kinds of people. This could improve the efficiency of making a sale. On the other hand, the improved knowledge and skills contribute to satisfying

the prospective clients' needs and to developing the sales agents' capability to establish an ongoing and friendly relationship with the clients.

First, the management tends to increase the volume of premiums that a sales agent could sell in a period of time, which means that the sales agents should improve the efficiency of how they make a sale. A widely accepted rule of making a sale is that the more prospective clients that you have visited, the more sales you can possibly make. Therefore, in order to increase their selling efficiency, it is necessary for the sales agents to increase the number of customers that they visit. However, the sales agents spend around three to four hours in the company every morning every weekday, which shortens the time that the sales agents have to pay a visit to clients.

As it is discussed in the earlier section, the morning meetings play an important role in helping the sales agents to increase their earnings and reduce their negative feelings from pressure and burnout during their early work. There are four main aims of the morning meetings according to the company's regulations. Firstly, the management must check the work that has been completed by the sales agents on the previous day and try to find out if they have experienced any difficulties. Secondly, if the sales agents have any questions or problems, they can seek help from department managers, team leaders or the other sales agents during the morning meetings. Thirdly, the sales agents are often inspired and cheered up after the meeting, which gives them a more positive psychological attitude (*hao de xintai*) before going back into the field. Finally, the low performance levels caused by depression and burnout from the previous day can potentially decrease performance as the sales agents are compelled to come to the office every working day. Thus, attending the morning meeting is necessary not only to reduce burnout but also to solve problems during the sales process to be of benefit to further work.

Second, recurring premiums from existing customers imply that there is an improvement in the service quality by the sales agents in order to satisfy their customer needs. Under this form of output control, the insurance agents are more likely to develop and maintain ongoing relationships with their customers or to promote "relationship sales" and "relationship

marketing”. Besides the volume of sales, insurance sales work includes service elements and has become increasingly customer oriented. Unlike the commission-based payment system in other extreme forms of sales work, where there is a sales orientation rather than a customer orientation. Shield Ltd’s sales agents also take into consideration a customer's perception of their service quality. However, the company does not include its service quality as an indicator when they assess their agents.

The renewal commission is a form of control that is targeted at the sales agents’ attitudes, emotions, beliefs and behaviours, because it induces a need for the sales agents to show that they are caring and empathetic, provide a satisfactory service and establish a socio-affective relationship with their customers. This form of control is driven by the agents’ perception of the customer-oriented norms. Under the pressure of earning more income, the sales agents become more disciplined in their sales process by providing better services to their customers and satisfying their requirements in order to secure long-term benefits. Besides the consideration of renewal commissions, the insurance sales workers also maintain good personal relationships with their current clients in order to expand their business and to earn more money.

Although the sales agents spend some time attending the morning meetings, it might be easier for them to recover from burnout that has emerged in the last working day. This would have a positive influence on their sales work that day, because they will be motivated with a more positive attitude about their work. Moreover, the morning meetings provide training sessions for the sales agents in order to improve their professional knowledge and skills and to promote the customer-related values and norms. For some of the sales agents with sufficient knowledge and skills associated with the insurance sales work, and those who have accumulated a social network with their existing customers, they can sell an insurance product very quickly. Therefore, improving the quality of service and enchanting the myth of customer sovereignty may sacrifice efficiency in short term, but it can potentially increase their sales efficiency in the long run. The sales agents can benefit a lot from spending time on establishing a good ongoing relationships with their existing customers. Their sales efficiency can be increased, because they could get new clients who are introduced to them by their existing clients, but they could also get more premiums by convincing their existing clients to

buy more. Both ways are far more efficient than promoting insurance to strangers, because there is a great level of trust between the sales agents and their existing clients. Thus, this finding extends the COB model in a longitudinal dimension.

CHAPTER SEVEN:

SUMMARY AND CONCLUSION

The main purpose of this study is to recognise the various forms of control that have been embraced in a range of managerial practices, and to exam the effects of the controls on the sales workers in the context of the Chinese insurance industry. This study was initially interested in the surveillance of team based work in the context of China's rapidly developing service sector. Using the knowledge accumulated from reviewing the extant literature and analysing the research data that was collected from fieldwork, the interest changed towards the forms of management control and their impact in the context of China's insurance industry. There are several reasons for the changed interest during the research journey. First, the researchers have been increasing their interest in studying front-line service work. As a form of front-line service work that can be viewed as sales work with considerable service elements, China's insurance sales work shows quite unique features when compared to its Western competitors. Second, managerial practices, aimed at controlling the sales agents, that were found in the studied company were very interesting and worth further investigation. Another realistic problem during the investigation also caused the interest shift. There was limited information related to surveillance in the research data, but considerable data regarding the other forms of management control that had shown up.

Firstly, this final chapter reviews the research journals by providing a summary of the important ideas, concepts and theories that are related to the study of management control in front-line service work including the sales work. This summary also shows how the research questions were developed. The second section of this chapter concludes the key research findings for each research question, and it conceptualises the key research findings based on extant theories reviewed in the literature review chapters.

7.1 Summary of the Thesis

Control has been acknowledged as a fundamental and essential element of all organisations (Blau and Scott, 1962; Tannenbaum, 1962; Thompson, 1967; Child, 2005), but it has been underestimated by mainstream writers since the 1990s. This is partly because of the decline of traditional forms of control, especially formal forms of control that are less adaptive to post-modern organisations and the increasing number of service work organisations. In theory at least, the development of new technology and the innovation of new management practices have abolished traditional control. Instead of explicit studies on control, increasing attention has been paid to, for example, teamwork, empowerment, self-management and surveillance (e.g., Poster, 1990; Sewell and Wilkinson, 1992; Lyon, 1994; Watson, 1994; Bogard, 1996; Fernie and Metcalf, 1998; Hales, 2000; Hamde, 2002; Clark, 2004; Sewell and Barker, 2006), which could better capture the characteristics of a contemporary organisation. However, the emergence of these new studies does not necessarily mean that control is no longer an important research topic; rather, it continues under the guise of a different language and different concepts (Jermier, 1998; Thompson and McHughe, 2009; Child, 2005). The themes of teamwork, empowerment, self-management and surveillance are all embedded within the purpose of control. Meanwhile, the traditional forms of control, such as direct control and bureaucratic control are still present in contemporary organisations.

This thesis provided a comprehensive literature review in relation to critical control studies which supported the discussion and conceptualisation of the research data. In labour process theory, control is viewed as an essential means to form the “principal mechanism” and therefore to reduce the indeterminacy of labour (Clegg, 1981; Thompson, 1989). Later, the indeterminacy extends to the sphere of emotional labour that is linked to front-line service work (Hochschild, 1983). Labour process scholars’ emphasis a dialectical approach with the contested and negotiated nature of workplace relations under the dynamic combination of structural, technological and ideological mechanisms that have been developed by management, which directly connect to the emphasis on strategies of management control (Delbridge and Ezzamel, 2005). From this perspective, management control regimes are inherently complex, contested and continuously changeable, and they cannot be separated from the capitalist political economies (Frenkel, 2009). Employees’ resistance to management control is impossible to eliminate permanently.

On the other hand, poststructuralist scholars promote control over individual identities which is viewed as a form of normative control. Some researchers suggest that classical controls, such as technical control through assembly lines, and administrative controls through bureaucratic procedures, rules and hierarchies, are viewed as problematic in contemporary organisations (Fleming and Sturdy, 2011; Raelin, 2011). There has been a cultural turn in organisational study and the researchers with this tradition believe that there is a greater commitment and flexibility from employees that can be secured through the act of “strengthening corporate culture”. Poststructuralist scholars view corporate culture building as a more subtle form of normative control that emphasises the privilege of discourse and the construction of identity and subjectivity. From a poststructuralist perspective, the influences of control over the employment relationship concern how organisation inspired discourses contribute to ensure that employees internalise promoted values and norms, and therefore, to produce docile bodies. Resistance and consent are discussed in terms of the precarious nature of subjectivity and identity. From this perspective, identity is a more pluralistic, dynamic, complex and contradictory concept, which is crafted in an on-going interaction with social-linguistics and institutionalised patterns of being and knowing (Collinson, 2003).

Since paid employment is dominated by service jobs in many Western countries, researchers in various disciplines have shown an increasing interest in the burgeoning service work. Numerous researchers have identified the difference between the manufacturing sector and the service sector (e.g., Korczynski, 2001; 2002) and they have developed critical approaches to analyse the new service sector, such as McDonaldisation (Ritzer, 1996, 1998) and the cult(ure) of the customer (du Gay and Salaman, 1992). However, these two approaches have been criticised for failing to capture the complex and contradictory aspects of front-line service work adequately (Korczynski, 2002). As a consequence, Korczynski (2002) develops these two approaches and proposes the concept of customer-oriented bureaucracy in front-line service work. Korczynski’s (2002) discussion on customer-oriented bureaucracy explores how a variety of controls with contradictory logic can coexist in front-line service work. According to Korczynski (2002), the traditional forms of control, such as direct, output and bureaucratic control may be problematic in the front-line service workplace, because non-employees are involved in the service labour process. Accordingly Korczynski (2002) tends to solve the problem regarding the variability, observability and output measurement of

controlling front-line service workers by introducing the customer-related values and norms as part of normative control.

In addition, the front-line service workers' direct contact with customers adds a "new dimension to the pattern of human relation" (Whyte, 1946: 123). Therefore, the bilateral relationship between the employer and employee has been replaced by the trilateral relationship between the management, worker and customer (Bolton and Houlihan, 2005; du Gay and Salaman, 1992; Leidner, 1993, 1999; Lopez, 2010; Korczynski, 2002; Whyte, 1948). Leidner (1993) suggests that there is a three-way interest alliance between customers, managers and co-workers. The interest between these three parties may be the same in some situations, but they may be in opposition in others.

However, the enduring patterns of power relations and interest conflicts may be ambiguous in Leidner's (1993, 1996) accounts of the situational and shifting interest alliances between those three parties. Korczynski (2002, 2004, 2007) highlights the conflicting logic between efficiency and the quality of a service. Korczynski (2009) further analyses broader patterns of customer-worker relations in terms of the workers' subjective sense of alienation or fulfilment that are perceived during interactions with customers which provide analytical underpinnings for the analysis of the relationship between the customer and the front-line service worker. For many service jobs, the customers are viewed by the workers as the primary alienating figure, so the service worker may show resistance towards the customers rather than towards more distant managers. Yet, Lopez (2010) suggests that there is a limitation on the increasing literature on the study of the service triangle. Primary attention has been paid to the ratios among the three parties within the triangle relationship, but the complexity of the relations within each party has been largely marginalised.

Moreover, emotional expression is an important feature of interactive service workers. Front-line workers are encouraged to express positive emotions, especially empathy with their customers, in order to make the customer consume the enchanting myth of sovereignty. Therefore, many researchers have focused on the ways to control this emotional labour to meet the requirements of service quality (Garot, 2004; Hochschild, 1983; Lewis, 2005;

Lively, 2002). Many researchers have provided arguments on to what extent the emotional labour can be commoditised (e.g., Bolton and Boyd, 2003; Brook, 2009; Hochschild, 1983, Lopez, 2010). Furthermore, Korczynski (2003) suggests that the formation of informal grouping contributes to reduce the potentially negative consequences of emotion management work and it creates 'communities of coping'. The communities of coping potentially reduce the employees' stress and improve retention rates, but they also cause difficulties for the management to conduct control over the employees. According to Korczynski (2003), the communities of coping represent a combination of consent and resistance to work.

Numerous researchers emphasise management control in sales work. The extreme form of sales work shares two main features. Firstly, sales workers are usually paid by commission and the second characteristic refers to the development of an ideology that 'legitimises the techniques of manipulation which sales workers may apply to customers' (Korczynski, 2002: 106). It has been suggested by many researchers that in the extreme forms of sales work, the remuneration that is centralised towards commission payments potentially leads to the absence of some important aspects of HRM practices, such as selective recruitment, training, the development of service cultures and teamwork (Clarke, 2000). Therefore, there are few related control studies that have been done in a setting of extreme sales work (e.g., Butterfield, 1985; Collinson et al., 1990; Knights and Morgan, 1990). Control studies in front-line service work emphasise specific types of occupations, such as call centres, leisure and hotels, retail, fast food and health care, while there has been little research conducted in the setting of extreme forms of sales work. Due to the characteristics of extreme forms of sales work, the relationships between sales workers and between management and their sales workers have been rarely studied.

Insurance sales work is traditionally viewed as an extreme form of sales work which suggests that there is a peripheral role of management. In some forms of sales work, bureaucratic aspects are marginalised. For example, Biggart (1988) replaces the model of bureaucracy by direct sales organisations which almost have no rules with fewer managers. The chosen insurance company – Shield Ltd – has clear features of extreme forms of sales work. In this insurance sales oriented company, the sales agents are mainly paid by commission and the sales work involves the development of the ideology of legitimising the techniques of

manipulation that are applied to customers in order to make a sale. As a consequence, the researcher asked a question to herself that was: is management control absent in this company? The answer was no. Deriving from the company's written documents, several possible forms of control were identified. Moreover, according to the industry reports, Chinese domestic insurance companies have similar work pattern and management strategies.

Therefore, it is worth an investigation into how the Chinese insurance companies control their salesforces, and how management control the influences of the triangle relationship between the management, customers and sales agents. In order to achieve the main purpose of the study, four research questions were asked as follows:

1. What forms of management control are adopted to manage insurance sales agents in teams?
2. What are the purposes of those particular forms of control?
3. How do those particular forms of control hybridise together to affect the triangle relationship between the management, customers and sales agents?
4. Does the customer-oriented bureaucracy have intellectual purchase in conceptualising those particular forms of control and understanding the reactions of the insurance sales agents to those particular forms of control in a Chinese context?

7.2 Conclusion

The analysis of the qualitative data is in two findings chapters. The first, Chapter Five, provided an overview of the managerial practices that have control functions. Then specific forms of control and the purposes of these forms of control were analysed. The second findings chapter, Chapter Six, answered the remaining research questions through elaborating on the effects of control on the individual sales agents as well as on the relationship between the management, sales agents and clients. The key findings are concluded as follows.

A number of Controls have been identified in Chapter Five and the key purposes of applying these forms of control are to improve the total sales, increase the size of salesforces and reduce turnover. In order to meet these purposes, the company has a range of management-inspired practices and discourse with control functions to persuade the sales agents to improve their sales performance and to participate in recruiting new salespeople and building sales teams. The company believes that by improving the sales agents' sales performance and helping them to move into a higher level of hierarchy, they can improve their retention rate of sales agents, because the sales agents can have a greater income and employment security.

Different forms of control are recognised in various managerial practices that can be categorised into two main types – formally coercive control and informally normative control. The formally coercive control mainly consists of output control based on commission based payment systems, bureaucratic control, direct control and attendant control that targets the output and behaviour of the sales agents. On the other hand, the informally normative control is usually found in various morning meetings and in the setting of the sales teams which tends to internalise the company's key values, norms and beliefs and constructs the sales agents' identity with the company and their occupation. This type of control mainly targets the sales agents internally through their minds, beliefs, attitudes, feelings and emotions.

The first and the most significant control is mainly based on monetary incentives in terms of a commission payment and considerable financial rewards that are associated with the sales agents' sales output and the results of their performance appraisals. By using this means of control, the management expects that sales agents would put more effort into visiting prospective clients and potential candidates in order to make more sales and recruit more new salespeople. For those sales agents who already have a team, they are expected to spend more time on managing their sales team. As a result, they could have more bonuses that come from the performance of their team members.

It can be concluded from the findings in Chapter 6 that most of the sales agents tend to improve their income through putting more effort into selling and recruiting, especially those

who have greater family obligations and are ambitious in their aim to earn large commissions. This kind of sales agents is more likely to put more effort into their sales job and self-improvement. For some other sales agents, they have less pressure on the amount that they need to earn and their balance preference between their work and their leisure time. Thus, they would evaluate if it is worth the sacrifice of their leisure time to achieve particular rewards. In addition, for sales agents who have a poor performance and have difficulties achieving the minimum sales target, they are not quite motivated by monetary incentives and have a fragile relationship with the company.

Second, bureaucratic control is based on formal rules and regulations and hierarchical structure to show the career paths. The sales agents would be promoted or demoted in the hierarchical structure or even dismissed based on the result of their quarterly performance assessment. The management's intention of standardising and routinising their sales agents' working/service process, though a desired working rhythm, can also be found. This working rhythm is implied in constant performance appraisals and evaluations that the management uses to set successive targets, evaluate the results of the target achievements and links the results to additional and attractive rewards. This working rhythm is more acceptable to those who have a good performance. Since good performers have the capacity to achieve certain targets and get the relevant rewards, they are able to, but not necessarily want to, behave as required by the company.

The performance appraisals and evaluations have particular coercive aspects, since they are based on formal rules and regulations. Passing the quarterly performance appraisal may result in a promotion to a higher position in the hierarchy and being authorised with some administrative power. From this point of view, the performance appraisals and evaluations in the company can be categorised as a form of bureaucratic control. However, performance appraisals and evaluations also have normative aspect as a form of control. The sales agents' performance results are ranked in a table that is visible to other sales agents after every performance evaluation. Therefore, they are constantly under the scrutiny of their peers and management. This would result in a self-disciplined sales agent because of the disciplinary power from the dividing practice of ranking (Foucault, Townley, 1993). A similar finding is also found in a study of a UK insurance company that ranked salespeople and the sales

managers facilitated the personal self-monitoring of sales staff against their targets (Knights and Morgan, 1990).

Third, direct control is usually adopted by the team leaders to closely monitor and supervise their team members through a range of activities, such as shadowing and participating in the team members' working/service process, checking their working logs and client visit receipts on a daily basis and interviewing them if necessary. This direct control is facilitated by the financial incentives that are available to the team leaders. Through this direct control, the sales agents' working process is more likely to be intervened on by team leaders, which does not happen often in the context of front-line service work (Korczynski, 2002). Furthermore, this direct control makes the sales working process more knowable and controllable through collective information from alternative sources such as working logs, and client visit receipts.

On the other hand, the informally normative controls are usually found in performance appraisals and evaluations, various morning meetings and sales teams. The normative aspects of performance appraisals and evaluations have already been summarised earlier in this section. Therefore, in this part attention will be paid to the normative control in the morning meetings and the sales teams. First, the morning meetings conduct a form of normative control through internalising the company's key norm, values, and beliefs in terms of training sessions, experience sharing and other speeches that are delivered during the morning meetings. Insurance sale work is stressful and the insurance agents are pressurised by rigorous sales targets and irate clients. The morning meetings provide the sales agents with the opportunity to improve their skills and knowledge related to their insurance sales work which potentially reduces the pressure from their rigorous sales targets. Moreover, negative feelings and emotions from irate and abusive clients could be normalised by infusing a positive image of the occupation that lifts the sales agents' social status and promotes a customer-related value that allows the clients to consume the enchanting myth of customer sovereignty. Moreover, normative control within the sales teams mainly refers to self-disciplinary and self-control under peer pressure and scrutiny which is called "concertive control". This form of control relied on ideas, norms and rules premised and agreed by the members of the sales teams (Barker, 1993; Sewell, 1998). In the context of Shield Ltd, a harmonious and collective team culture is promoted by both the team leaders and the

management and it is also reinforced during the morning meetings. Therefore, team members can be infused with a sense of belonging and collective identification. This sense of belonging and collective identification to the sales team facilitates the concertive control since the sales agents in the team have a collective value of improving the total team performance.

It should be emphasised that, the forms of control do not run parallel and exclusively to each other, rather they interface and interact with each other to have an impact on the sales agents' levels of output, behaviours, minds, beliefs, attitudes, feelings and emotions. The formal rules and regulations are not reinforced by positive and negative incentives, but they are reinforced by the key values and norms that are infused and internalised in the morning meetings and during the interactions between the sales agents. Although normative control through infusing and internalising key values and norms is usually conducted in the morning meetings, attending the morning meeting is compulsory based on the formal rules and regulations.

In addition, the findings on the triangle relationship between the management, sales agents and clients extend the existing literature in many aspects. First, the management and sales agents have a closer relationship when compared to the distant relationship between management and sales workers in other extreme sales work. The management steps into the sales agents' work process by setting performance targets, evaluating performance results constantly and linking the results to particular rewards and sanctions. However, the sales agents are not always resist to the managerial intervention and the relationship between the management and the sales agents is not always conflictual. The sales agents who have ambition and the capability to earn large commissions are more likely to have some interest with the management, while those sales agents who are not able to meet the minimum performance targets and earn enough are more likely to have a fragile relationship with the management. Moreover, the management provides opportunities for the sales agents to learn how to convince prospects to buy insurance and how they can cope with irate and abusive clients in the morning meetings. From this point of view, the management and the sales agents may join together to exercise their power over their prospective clients to persuade them to buy insurance products.

Second, co-worker assistance can be found in Shield Ltd. Although the sales workers are usually independent from each other during their sales work, the findings shows that many sales agents support their colleagues both in the sales work process and in off-stage areas. Some of the sales agents tend to go into the field with their colleague so that they can gain emotional support during their interactions with irate and abusive prospects and clients. Moreover, the sales agents also seek to reduce pressure from irate and abusive prospects and clients through informal coping based on a shared group culture of cynicism towards the clients. This cynicism also facilitates a cognitive normalising tactic of condemning the condemners (Ashforth, et al., 2007).

Third, the relationship between the sales agents and their clients is mainly instrumental in its nature. However, this instrumental relationship between the sales agents and their clients is sometimes masked by the rhetoric of client care and friendship. Driven by the purposes of earning more commission from new clients and prospects that were introduced by their current clients, a customer-related value is widely accepted by the sales agents. From this perspective, the sales agents seek to satisfy their current customers by providing additional services and benefits as well as improving the quality of their service. In order to build an ongoing high trust relationship with the clients, the sales agents show more care towards their clients and promote the most suitable insurance products to them. As a result, the ongoing relationship and high trust between the sales agents and clients potentially reduces a subjective sense of alienation vis-à-vis clients and covers the instrumental nature between the sales agents and their clients.

In addition, the management control implies a dual focus that ensures that the sales agents are not only required to spend more time on the sales process in order to increase their sales output, but also the need to spend more time on improving their knowledge and skills, being cheered up in the morning meetings and providing additional services to clients to satisfy their diverse needs. These two requirements conflict in the short term, but in the long run the increased service quality and client satisfaction facilitate an increase in sales output.

The sales agents may spend some quantity of time attending morning meetings, but it might be easier for them to recover from any burnout that has emerged during the previous working day. This would have a positive influence on their sales work during that day, because they are motivated with a more positive attitude about their work. Moreover, the morning meetings provide training sessions for the sales agents in order to improve their professional knowledge and skills, and to promote their customer-related values and norms. For some sales agents with sufficient knowledge and skills associated with their insurance sales work, and those who have accumulated a social network with their existing customers, they can sell an insurance product very quickly.

Therefore, improving the quality of service and enchanting the myth of customer sovereignty may sacrifice efficiency in the short term, but it can potentially increase sales efficiency in the long run. The sales agents can benefit a lot from spending time on establishing an ongoing good relationship with their existing customers. Their sales efficiency can be increased, because they not only get new clients introduced to them by their existing clients, but they also could get more premiums by convincing their existing clients to buy more. Both ways are far more efficient than promoting insurance to strangers, because there is a great level of trust between the sales agents and their existing clients. Thus, this finding extends the COB model in a longitudinal dimension.

7.3 Research Contributions and Implications

This study has both empirical and conceptual contributions. First of all, the study investigates control in a sales work environment that is combined with a considerable service element in a Chinese life insurance company. This research setting fills two research gaps. First, previous control studies in front-line service work have been largely done in Western countries. Second, attention has been paid to either front-line service work or extreme sales work, and limit research has been focused on sales work that is mixed with elements of service. Secondly, the effects of controls with contradictory logic on individual insurance sales agents in the company are elaborated on by linking them to wider and specific socio-cultural contexts in China. Thirdly, this study elaborates on the complex triangle relationship between management and their sales agents, among the sales agents and between the sales agents,

rather than only focus on a relationship between two parties in the service triangle. The research findings also explore a collectivism and co-worker support in the relationship among the sales agents that has not been discussed in extant literature.

The major conceptual contribution of this study is to revise the traditional concept of customer-oriented bureaucracy by extending this model in a longitudinal dimension in the front-line work that mixes sales and service. The dual logic of increasing sales efficiency and improving service quality are not always contradictory. On the one hand, efficiency could be improved by increasing the quantity of client visits. However, the number of client visits may reduce when the sales agents attend morning meetings and improve their service quality through providing additional services to their clients. On the other hand, time that has been spent on improving service quality, building ongoing and trusting relationships with clients, internalising customer-related values during the morning meetings and improving sales efficiency in the long term through interactions with clients.

This study also has practical contributions on the development of China's insurance industry. Given the features of the current insurance industry in China and the effects of controls with contradictory logic on the insurance sales agents at Shield Ltd, there are several implications for future practices.

First, the management should pay more attention to recruitment. The research findings of this study show that recruiting the right kind of sales agents would increase the sales results and retention ratio. There are three important features of a good sales agent. The sales agents must have ambition and/or pressure to earn big commissions, such as great family responsibilities. This finding is in line with Knights and Morgan's (1990) study of management control in insurance salesforces. This kind of sales agent finds it easier to be motivated by the commission payments and other financial rewards. And their responsibility and ambition to maximum their income make them more tolerant of pressures and burnout from rigorous performance targets and irate clients. The second characteristic is their capability of dealing with irate and abusive clients. This may refer to a particular personality and ability with stress management. This kind of person tends to be more stress fit or can be

trained as more stress fit. The third characteristic is the capability to improve sales results and build sales teams. This characteristic implies that the sales agents' have the ability to learn and communication skills and professional knowledge that is related to the insurance sales.

However, the management only has very basic criteria for their candidates. Their candidates are usually between 22 and 46 years old and with, at least, a college education background, a local resident's permit and a good morality to become sales agents of the company; if they attend a few days of pre-sessional training and pass their exams. This recruitment and selection strategy implies a focus on the number of recruits rather than the quality of the recruits. The neglect of the quality of the insurance sales agents, in the recruiting and selecting stage, results in a high turnover in a very short time period, as the new sales agents lack the essential features to deal with this stressful work and coding of irate and abusive clients.

Secondly, if insurance companies want to recruit and maintain high quality sales agents, they may need to consider providing a basic salary and social security for them. As quasi-independent contractors, the sales agents usually have a high degree of alienation with the company. This arms-length relationship between the sales agents and the insurance company can be changed when the sales agents have developed and maintained their own sales teams. However, for most of the regular sales agents who have not built their own sales team yet, they still experience an unstable employment status and unsecured earnings. The low and unstable income makes it difficult to attract high quality candidates.

As a result, life insurance companies in China may consider providing a basic salary and social security for their sales agents, which could potentially reduce their staff turnover. Meanwhile, life insurance companies may also need to evaluate if they should slow down their development in a short period by focusing on recruiting quality people who have proper characteristics rather than recruiting a huge but unstable sales force.

7.4 Limitations and Future Research

This study identifies forms of control in a life insurance company in china and it explores the effects of these different forms of control on the individual sales agents. In addition, it also examines the triangle relationship between the management, sales agents and clients who are under control in the context of China's life insurance industry. However, there are several limitations to this study.

First of all, this study focuses on one insurance company in China. Although the researcher uses data collected from industrial reports to explain some similar features shared by most life insurance companies in China, the evidence from other insurance companies would be appreciated to generalise the research findings in a wider context. Moreover, the study was only conducted in two branches in Inner Mongolia and Beijing respectively. The limited research scope implies that this study can be improved by investigating other life insurance companies in China and seeing if the findings of this study can be generalised across the Chinese insurance industry. Future research can also be conducted in one or more insurance companies in different locations, which could show the geographical diversity of China's insurance industry.

Secondly, although this study mentions several occasions of resistance and misbehaviour under management control, such as slacking off, cheatings during the sales and recruiting process, faking work logs and leaving the company, there is no sufficient elaboration on why this resistance and misbehaviour emerges and how it may influence the triangle relationship between the management, sales agents and clients. Therefore, this study could be developed through a focus on the sales agents' resistance and misbehaviour towards their management and towards their clients and the potential conflicts among them. This future study could further extend the literature on the triangle relationship between the three parties in front-line mixed sales and service work.

Thirdly, this is a purely qualitative research which means that there is a lack of objective measuring techniques and a limit scope of generalisation. Since qualitative studies and quantitative studies have different research focuses, rather than substantial limitation concerns about objective measuring techniques and generalisation. This implies a need for a

future quantitative study that tests the relationship between the different forms of control and the sales agents' behaviour during the sales work process in the context of China's insurance industry.

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Appendix A: Interview Questions

Section 1: General questions

1. How long have you worked at the company? How long have you worked in your current sales team?
2. How long have you been in your current post?
3. What, if any, job did you previously have?

Section 2: Possible forms of controls over individual sales agents

1. Could you please tell me what your current job involves?
2. What goals are set for individual sales agents?
3. How does the company evaluate your work as an individual sales agents? How does the company evaluate your work as a team leader?
4. How are you managed in order to achieve set goals?
5. Does the company collect much information in relation to the work of individual sales agents and team leaders?
6. What sort of information is collected? Why is that information collected? Who collects it?
7. How is the collected information used in managing your work as an individual sales agent? How is the collected information used in managing your work as a team leader?
8. Is there a system of reward? Have you received a reward following your work assessment? What was that?
9. Is there a system of sanctions? Have you received a sanction following your work assessment? What was that?
10. Does knowing there is the possibility of a reward impact your work? Does having received a reward affect your work? How?
11. Does knowing there is the possibility of a sanction impact your work? Does having received a sanction affect your work? How?
12. What happens if someone is considered not to be doing what is expected?

Section 3: Possible forms of control over individual sales teams

1. Could you tell me about what individual sales teams do? How does the sales team operate?
2. What goals are set for individual sales teams?
3. How does the company evaluate individual sales teams' work?
4. How are individual sales teams managed in order to achieve the set goals?
5. Does the company collect much information in relation to the teams' work?

6. What sort of information is collected? Why is that information collected? Who collects it?
7. How is the collected information used in managing the work of the individual sales teams?
8. Is there a system of reward for sales teams? Has your team received a reward? What was that?
9. Is there a system of sanctions for sales teams? Has your team received a sanction? What was that?
10. Does having received a team reward affect your team's work? How does the reward impact on the team's ability to work together?
11. Does having received a team sanction affect your team's work? How does the sanction impact on your team's ability to work together?
12. What happens if someone is considered not to be doing what is expected?
13. Could you describe the team leader's role in your team? How much involvement do you have with the team leader? How much direct input do they have in relation to how you work? Do you feel like the team leader often observes you when you are working? If so, how does the team leader observe you and how does that make you feel?
14. Could you describe your role as a team leader in your team? How much involvement do you have with your team members? How much direct input do you have in relation to how your team members work? Do you often observe your team members when they are working? How do you observe them? Do you know how your team members feel about your observation?

Section 4: Feelings and attitudes of individual sales agents on possible forms of control

1. How do you feel about how individual sales agents and individual sales teams are managed by the company?
2. How do you think other sales agents may feel about how individual sales agents and individual sales teams are managed by the company?
3. Have you ever expressed positive views on how you are managed? Have you ever expressed negative views on how you are managed? Have other sales agents ever expressed positive views on how they are managed? Have other sales agents ever expressed negative views on how they are managed?
4. Do you report complaints to others? Who you have complained to? What are the complaints? Do you know of anyone else's complaints? Who they have complained to? What are the complaints? Do you get many complaints from others? Who are they? What are the complaints?

Section 5: Feelings and attitudes of individual sales agents on sales teams in relation to control

1. What is it like working in the team? Do you think it works well? What makes the team work well/not well together? What happens when there is a problem? How do you deal with any problems with the team?
2. What is the relationship amongst team members like? What is the relationship between team members and the team leader in your team? Do you think you work well together? Why? Could you give me examples?
3. What pressure, if any, is put on team members to meet goals? How do you feel about it?
4. Do you feel any intra-team pressure to perform? Could you give any examples?
5. What are the worst things about working in a team?
6. What are the best things about working in a team?
7. Is there anything you feel I have not covered or that you would like to add regarding managing individual sales teams and individual sales agents?

Section 6: Questions in relation to morning meetings

1. Could you tell me what do you do during morning meetings?
2. Do you know why the company holds morning meetings every working day?
3. How do you feel about the morning meetings? Are they necessary? Why?
4. How do morning meetings affect your work attitudes and/or activities?
5. Is there anything you would like to say more about morning meetings?

Section 7: Questions in relation to the relationship between sales agents and customers

1. How would you describe the role of customers in your work?
2. How do you manage to accumulate and maintain customers?
3. How would you describe the relationship between customers and yourself?
4. How would you describe the relationship between customers and insurance sales agents in general?

Appendix B: A Coded Sample Transcript of a Morning Meeting

Meeting no. 4, Beijing Branch

Transcript	Codes	Themes
<p>Host (male, business manager): Good morning everyone, please switch off or mute your mobile phone. Gentlemen, please put on your ties. Now everybody stands up, let's do the morning exercise, Ms A [department assistant], could you play the music please.</p> <p>[Exercise: around 6 minutes]</p>	<ul style="list-style-type: none"> • Uniform • Exercise • Work routine/procedure • Fun at work • Paternalism 	<ul style="list-style-type: none"> • Ritual • Culture • Care approach
<p>Ms A (department assistant): Good morning everyone, now let's call the roll.</p> <p>[Approximately 4 minutes]</p>	<ul style="list-style-type: none"> • Company regulations/rules • Attendance management 	<ul style="list-style-type: none"> • Coercive control
<p>Ms A: Can I ask every team leader to remind their members to submit their application if they want to ask for leave, or a doctor's note. Thank you for your cooperation.</p> <p>[Ms A passed the microphone to the host]</p>	<ul style="list-style-type: none"> • Company regulations/rules • Attendance management 	<ul style="list-style-type: none"> • Coercive control
<p>Host: Thank you, Ms A.</p> <p>[Applause from audience]</p> <p>The applause is not ardent enough; please show me more of your thankfulness for Ms A.</p>	<ul style="list-style-type: none"> • Cheering up • Inculcation • Company's culture • Passion and enthusiasm • Compliment 	<ul style="list-style-type: none"> • Ritual • Culture • Normative control

<p>[More applause from audience]</p> <p>Our department is remarkable, and the executive admires our department a lot, we should proud of it and show our passion and enthusiasm.</p> <p>It's my turn to be the host this week, and I hope everyone could support my job and learn something useful from the morning meetings. Now, let's read the regulations for the morning meeting. I will read the first section for you.</p>		
<p>The host begins to read the regulations:</p> <p>In order to normalise the management of individual insurance sales agents, maintain the standard operation of insurance business activities, conduct trainings and supervision in a timely and effective manner, and improve the basic qualities and skills of individual insurance representatives, we set the following instructions according to the agency contract for individual salespeople.</p>	<ul style="list-style-type: none"> • Regulations/rules • Normalising • Tradition 	<ul style="list-style-type: none"> • Ritual • Culture • Normative control
<p>[The host passed the microphone to a column of sales agents and asked them to read the rest of regulations.]</p>		
<p>A. The sales agent must attend</p>	<ul style="list-style-type: none"> • Regulations/rules 	<ul style="list-style-type: none"> • Coercive control

<p>any type of meeting or training programme organised by the firm, which includes:</p> <p>Meetings:</p> <ol style="list-style-type: none"> 1. Basic management meetings, regular meetings for business managers, sales force morning meetings and evening meetings, 2. Meetings for specify topics, seminars, analysts meetings, 3. Other meetings: any meeting about awarding, planning summarising, etc. <p>Training:</p> <ol style="list-style-type: none"> 1. Training of recruits, 2. System development trainings, 3. Recruits' fighting camps, 4. Training for upgrade. etc. 	<ul style="list-style-type: none"> • Attendance management • Training types 	<ul style="list-style-type: none"> • Bureaucratic control • Training
<p>B. All sales agents must make proper application and be approved by their superiors if they want to ask for leave. Such approval needs to be checked by the department manager. Those applications about leave for more than 3 days need to be approved by the district manager.</p>	<ul style="list-style-type: none"> • Regulations/rules • Attendance management 	<ul style="list-style-type: none"> • Coercive control • Bureaucratic control
<p>C. Contract terminated if any of the following situations occur:</p> <ol style="list-style-type: none"> 1. Miss any meeting or training for five or more days without any excuse in one month. 2. Miss any meeting or training for 10 or more days without any excuse. 3. Absent for more than 6 months in one year. 	<ul style="list-style-type: none"> • Regulations/rules • Attendance management • Sanctions • Normalising 	<ul style="list-style-type: none"> • Coercive control • Bureaucratic control

<p>D. Being late for a meeting or leaving early for less than 30 minutes will be seen as being late for a meeting or leaving early. More than 30 minutes will be seen as being absent from the meeting or work.</p>	<ul style="list-style-type: none"> • Regulations/rules • Attendance management 	<ul style="list-style-type: none"> • Coercive control • Bureaucratic control
<p>E. If the salesmen miss any company training, a missed commitment fine can be issued.</p> <p>1. For salesmen:</p> <p>(i) 10 yuan per late arrival or early leaving</p> <p>(ii) Asking for leave for more than 3 days in a month with a non-medical reason; 10 yuan would be charged for one extra day.</p> <p>(iii) Not attending meetings or training without any excuse: 20 yuan per day.</p> <p>2. For directors: 1.5 times that for a sales agent for a missed commitment fine.</p> <p>3. For managers: 2 times that for a sales agent for a missed commitment fine.</p> <p>[The end of reading regulations]</p>	<ul style="list-style-type: none"> • Regulations/rules • Attendance management • Sanctions • Normalising 	<ul style="list-style-type: none"> • Coercive control • Bureaucratic control
<p>Host: Now everyone please stand up, let's sing the company anthem. Please salute with right hand on your chest.</p> <p>[About 1 minute]</p>	<ul style="list-style-type: none"> • Company's culture • Normalising • Tradition • Work routine/procedure 	<ul style="list-style-type: none"> • Ritual • Culture • Normative control • Collective identity

<p>Host: Now, read aloud the company motto:</p> <p>“become a professional and dedicated person, welcome challenges and competitions, obey the rules, provide best service, fulfil clients’ needs, be honest with others, and always keep the spirit of the Shield alive”.</p>	<ul style="list-style-type: none"> • Tradition • Work routine/procedure • Responsibility • Normalising • Values • Norms 	<ul style="list-style-type: none"> • Ritual • Culture • Collective/organisational identity • Normative control
<p>Host: Sit down please, now you have 10 minutes to write or organise your work log.</p>	<ul style="list-style-type: none"> • Work routine/procedure • Work log writing • Regulations and rules 	<ul style="list-style-type: none"> • Coercive control
<p>[After 10 minutes]</p> <p>Host: Ok, now let’s welcome Ms B (customer manager) who will deliver the brief.</p>	<ul style="list-style-type: none"> • Work routine/procedure • Tradition 	<ul style="list-style-type: none"> • Standard procedure
<p>[Ms B plays an inspirational song before starting the brief]</p> <p>Ms B: Hello everyone. First, I’d like to send my regards: “the heroes of the ‘XX’[the name of their department] department,”</p> <p>Audience: “Always be the top!”</p> <p>Ms B: the fighters of the ‘XX’ department good morning!”</p> <p>Audience: “Good morning, the shield is the best, the organisational development is the best!”</p>	<ul style="list-style-type: none"> • Greetings • Metaphors • Values • Belief • Passion and enthusiasm • Sense of belonging 	<ul style="list-style-type: none"> • Culture • Ritual • Collectivism/solidarity

<p>Ms B: Here comes the brief. Firstly, the highest temperature today is 31° C, and the lowest temperature is 22° C. It will rain on this Tuesday and Wednesday, and the temperature will decrease a little, about 20° C highest, so please wear warm clothing in case of catching a cold.</p>	<ul style="list-style-type: none"> • Caring paternalism • Non-work life 	<ul style="list-style-type: none"> • Culture • Care approach • Non-work information sharing
<p>[Ms B starts to present the content of her PPT]</p>		
<p>Ms B: Chinese Insurance Regulatory Commission updates the insurance claiming status of recent air crash. There were 21 victims who bought the insurance and the total indemnity is about 25.4398 million RMB. By now, 13 victims' families have received the indemnity and the number is 4.9 million RMB. Our company responded to the claims very fast. Now, we have paid 0.3 million to one of the victims' families. This is the biggest amount for a single indemnity, compared to other insurance companies.</p>	<ul style="list-style-type: none"> • Examples • Company's related information • Infusing positive value of the company • Normalising • (Re)build confidence/belief in the company • Company's achievement • Cheering up 	<ul style="list-style-type: none"> • Ritual • Celebration • Information sharing • Normative control
<p>Ms B: There was a fire at a shopping mall in ShenYang city, caused nine injured and nine dead. The fire was caused by electric circuit breakdown in the hall. Here are some of the pictures of the fire scene.</p> <p>On the 23rd August, a male fell down on to the underground track and died of electric</p>	<ul style="list-style-type: none"> • Insurance sales related information • Risks • Values of insurance • Normalising • Necessity of insurance 	<ul style="list-style-type: none"> • Information sharing • Business potentials • Training

<p>shock.</p> <p>There is other news. A man who does not have a driving licence parked a car for his boss and caused injury to three people. He was sentenced to a fixed term of imprisonment of two and half years.</p>		
<p>Ms B: Now the permanent residents in Beijing have reached 19.72 million, 10 years ahead of breaking the planned 18 million populations. If there is no better way to control it, the population will exceed 25 million by 2020, which means the consumer market will increase. We'll have more opportunities and targets.</p> <p>Then, I'd like to talk about some mistakes on cooking eggs.</p> <p>[Six points about how to cook and eat eggs healthily: about five minutes]</p>	<ul style="list-style-type: none"> • Insurance sales related information • Motivation • Growing market • Non-work knowledge • Caring paternalism 	<ul style="list-style-type: none"> • Information sharing • Business potentials • Training • Culture • Care approach
<p>Ms B: Now I'd like to share some reflections on life:</p> <ul style="list-style-type: none"> ○ Treasure this stage, because there is only once you can stay on this life stage. ○ Consciously develop two habits, reading and listening. ○ Four short words sum up what has lifted most successful individuals above the crowd: a little bit more. ○ Difficult circumstances serve as a textbook of life for people. 	<ul style="list-style-type: none"> • Aphorisms • Traits of success (work) • Self-confident • Overcome • Heroism • Motivation 	<ul style="list-style-type: none"> • Culture

<ul style="list-style-type: none"> ○ We must accept finite disappointment, but we must never lose infinite hope, said Martin Luther King. ○ He who seizes the right moment is the right man. <p>That all for today's briefing, thanks a lot.</p> <p>[43 minutes and 26 seconds in total]</p>		
<p>Host: Many thanks to Ms B, she brought us a very good brief. Today, Mr L [department manager] invites Ms C, the business manager [of another department], to share her experience of attending the Worldwide Chinese Life Insurance Congress at East China Normal University. Welcome Ms C.</p> <p>[Applause]</p>	<ul style="list-style-type: none"> • Work routine/procedure • Speech from excellent sales agent 	<ul style="list-style-type: none"> • Training • Experience sharing • Normative control
<p>Ms C: Many thanks to Mr L [the department manager] who gave me this opportunity to share my experience with so many wonderful colleagues. Actually, Mr L is the teacher of my department manager, Ms Z. Ms Z always says that she learned a lot of new ideas and knowledge from Mr L and I respect Mr L very much. It is my honour to come here.</p>	<ul style="list-style-type: none"> • Metaphor • Teacher and student relationship • Normalising 	<ul style="list-style-type: none"> • Relationship between manager and sales agent • Culture • Normative control
<p>Ms C: Today I'd like to share my experience of attending the Worldwide Chinese Life Insurance Congress as a</p>	<ul style="list-style-type: none"> • Examples • Reward • Success • Opportunities • Prestige 	<ul style="list-style-type: none"> • Training • Experience sharing • Normative control • Professional status/identity

<p>member of IDA (International Dragon Award) at East China Normal University. There were 6,800 insurance elites who attended the congress who won the membership of IDA this year, and the outstanding IDA members shared their experience of success at the congress. So, attending this congress is a good way to learn and improve our skills and knowledge. I'll talk about the things I learned which I think are important from the conference. I'll try to make this speech nice and short, so we can finish the meeting early and leave you more time to conduct sales work.</p>		
<p>Ms C: Firstly, let me introduce myself. My name is C and I joined the company in 2002. Before that, I worked at a hospital. Because of some personal reasons, my father's death in 2002, so in order to earn more money to support my family, I came to the insurance industry and joined our company. You know, our company provides us with many opportunities to go to workshops or conferences held by universities or other institutions every year throughout the country. I like to travel very much, and usually those events are held in different provinces. So, when I joined the company, I had a dream that I would want to travel with the company every year. It is much better than travelling alone, because I can not only see the beauty of other provinces, but also</p>	<ul style="list-style-type: none"> • Rewards and benefits (financial and non-financial) • Personal information • Family responsibility • Opportunities • Motivation • Rewards and benefits • Normalising 	<ul style="list-style-type: none"> • Output control • Experience sharing • Normative control

gain professional knowledge from those events and connect with other sales agents more closely.		
<p>Ms C: This year I went to the Worldwide Chinese Life Insurance Congress. This is the most important event in the insurance industry that only the members of IDA can attend. So, everyone here should keep it in mind how you can become a member of IDA. I believe you all understand that there are four levels of IDA members: Copper IDA, Silver IDA, Gold IDA and Platinum IDA. You should remember the standards of applying for the IDA. For Copper IDA, you should have at least 120,000RMB first year commission this year and, for Silver IDA, Gold IDA and Platinum IDA, the standards are 360,000RMB, 720,000RMB and 1,080,000RMB respectively. Remember those standards and set a goal for yourselves: that's what I did. I don't have very excellent performance, so I set the Copper IDA as my target and go for it.</p>	<ul style="list-style-type: none"> • Membership of IDA • Sales targets • Achievement • Prestige • Heroism • Motivation 	<ul style="list-style-type: none"> • Information sharing • Professional status/identity • Output control
<p>Ms C: I summarised several sentiments from speakers that I think might be helpful. First, Mr Gao from Taiwan said we should understand the status of life insurance in China, and the status of life insurance in developed countries. The future of the Chinese life insurance industry is</p>	<ul style="list-style-type: none"> • The future • Infusing positive values of the insurance industry • Business potentials • Information can be used during interaction with clients • Communication skills 	<ul style="list-style-type: none"> • Experience sharing • Normative control • Improving professional status • Information sharing • Training

<p>optimistic; sooner or later we will get the status that developed countries got.</p>	<ul style="list-style-type: none"> • Normalising 	
<p>Ms C: Singapore focused on long-term development, and there is a good book worth reading called “Reading saves us”. The book describes the history of the Singapore Provident Fund. Based on Singapore’s policy, the provident fund can be invested in the insurance industry to obtain greater profits for citizens.</p>	<ul style="list-style-type: none"> • Example • Work related knowledge 	<ul style="list-style-type: none"> • Knowledge sharing • Training
<p>Ms C: Now, I’d like to talk about the Japanese situation. Mr Long from Japan said that China should pay more attention to public welfare and charity. Japan does very well on public welfare and charity: lots of people benefit from them. Since the 1980s, charity in China has been increasingly developed, but compared to Japan it’s far from enough.</p>	<ul style="list-style-type: none"> • Example • Work related knowledge 	<ul style="list-style-type: none"> • Knowledge sharing • Training
<p>Ms C: Then, Mr Liang talked about the function and the value of insurance. The detailed content can be found in his book “Ten Gold Values of Insurance”, and I bring this book today and I’ll leave this book here for several days: you can read it. He said: “Insurance is a great business. We are not only insurance salespeople, but also educationists, and we must</p>	<ul style="list-style-type: none"> • Metaphor (educationist) • Responsibility • Desirable behaviour • Professional service • Customer-related value • Avoiding risk • Work related knowledge 	<ul style="list-style-type: none"> • Improving professional status • Professionalism • Identity • Knowledge sharing • Service-oriented • Relationship between sales agent and client • Power relation • Training

<p>become educationists. In order to be an educationist, the first thing is to be professional. We should serve our client professionally and seriously. If we are unprofessional, then the longer we stay in this business, the more damage may be caused for the business. As educationists, we should teach more clients about what is risk? What tools can be used to avoid risks? How to choose the right tools? Of course, the tool is insurance. We should introduce the tool to all ordinary people and let them understand and use this tool to avoid risks and solve their problems.”</p>		
<p>Ms C: I think he’s right, I have a similar feeling. I know a lot of people, especially young people – if they get enough money, they invest in the stock market. If they don’t get enough money, they overdraw. They don’t save money for emergency situations: for example, accident and illness. As educationists, we should be responsible for the rest of their life. We should tell them to invest in insurance before investing in the market if they get extra money. We should make sure that they can get money to deal with emergency situations and maintain their quality of life.</p> <p>As I said before, we are responsible for the rest of their</p>	<ul style="list-style-type: none"> • Metaphor (educationist) • Risks • Providing proper service and insurance product to clients • Customer-related value • Responsibility • After-sale service • Normalising 	<ul style="list-style-type: none"> • Experience sharing • Improving professional status • Professionalism • Relationship between sales agent and client • Service-oriented • Identity • Training • Normative control

<p>life, so we should consistently provide good service after making a sale. We should influence our clients through our professional knowledge, best service, and responsible attitude. I know it might be difficult to convince people to invest their money in insurance sometimes, but I believe that they would be eventually touched by our professional service and great responsibility.</p>		
<p>Ms C: Another speaker from Hong Kong said that he usually sells investment-type insurance. He highlighted that this kind of insurance is not suitable for everyone, because of the higher risk of losing money. Thus, he only introduces investment type insurance to relatively wealthy families that can afford the loss. A trustful relationship between salesperson and client is crucial in this business, so try your best to understand the clients' real situation before making a sale, and recommend the most appropriate products to them. Once your clients trust you and are satisfied with your service, they may introduce their friends to you.</p>	<ul style="list-style-type: none"> • Examples • Investment-type insurance • Prioritising • Risk • Trustful relationship between salesperson and customer • Customer-related value • Satisfied service • Normalising 	<ul style="list-style-type: none"> • Relationship between sales agent and client • Service-oriented • Training • Normative control • Relationship between sales agent and client
<p>Ms C: Next, financial planner Mr Cai brought us a course about managing money. I liked his course very much. Now I'd like to share some of his sentiments.</p>	<ul style="list-style-type: none"> • Examples 	

<p>Ms C: First, the definition of managing money is to use limited resources to fulfil unlimited demand, and it is a means to create and maximise interest. Reasonable resource allocation is the key factor for managing money. He asked: “What is equal to the happy life? Does the happy life equal money? Or does that equal substance? No, the happy life is not equal to money or substance solely, but the objective of managing money is to have a happy life”. Think about it, the goal of managing money is to plan for our lives. Only we plan our lives well, we can live happily. I give you a very simple example. If we don’t plan our lives, manage our money ahead, when the risk happens, we might die even, then who takes care of our families and who supports their lives? Obviously, they won’t have happy lives.</p>	<ul style="list-style-type: none"> • Knowledge on managing money • Means to ends 	<ul style="list-style-type: none"> • Knowledge sharing • Training
<p>Ms C: I think we should plan our lives and manage our money well first before we guide our clients to manage their money. We should be good examples in the face of our clients. If we don’t manage our money well, the client may not easily trust us to manage theirs. When we communicate with our clients, we can start with asking them a question: what is the ultimate goal for you to work hard and accumulate money? Then, we can understand clients’ needs from their answers. Moreover, we should convince clients to tell</p>	<ul style="list-style-type: none"> • Example for clients • Examples of conversation with clients • Conversation scripts • Communication skills • Building customer relationship 	<ul style="list-style-type: none"> • Training • Relationship between sales agent and client

<p>us their real financial situation. I know a lot of people don't want to reveal their personal information, but it is difficult for us to help them manage money appropriately without that information. So, you should spend more time on improving your communication skills, and become a good example to the clients.</p>		
<p>Ms C: Sometimes I invite my clients for dinner. I rarely take them to those fancy restaurants. I usually choose cost-effective but tasty places, and they love those places. Some of my clients say I'm an expert on saving money without abandoning life quality. I always tell them that my income is not very much, but I spend most of my savings on insurance products.</p>	<ul style="list-style-type: none"> • Building customer relationship • Frugality • Example for clients • Stories • informal interaction with clients 	<ul style="list-style-type: none"> • Relationship between sales agent and client • Experience sharing • Training
<p>Ms C: There is another important concept: rational consumption. Once I chatted with a client. He said he wants to spend 200,000 RMB to buy a car and asked me for advice. I know his financial situation; a two hundred thousand car is not cheap for him. So, I told him that is irrational. I advised him to buy a car around eighty thousand, and save the rest of the money for his child's education and parents' maintenance. I asked him the basic question: why do you want to make money? He</p>	<ul style="list-style-type: none"> • Rationality • Argument • Stories • Family/collectivism • Moral/ethics • Emotional labour • Emotional engagement • Caring for customer 	<ul style="list-style-type: none"> • Experience sharing

<p>said, “I need to support my family and improve life quality”. Then I said, “Buying a car surely can improve life quality, but I don’t think there is much difference between those two differently priced cars. So, why don’t you spend more money on protecting current life and supporting your child’s education?” A child always takes the priority over other matters, because it’s parents’ nature after all. He took my advice. Recently, he wanted to buy insurance for his child and he is quite interested in one of our combined insurance policies including health insurance and annuity education insurance. I’ll meet him this week and talk about the details. So, when you communicate with your clients, show them your warm consideration, and ability in planning money. Then, you can earn their trust and respect.</p>		
<p>Ms C: I think there are three levels of selling insurance. First level, you show the insurance brochures to your clients, and explain the products based on the brochures. The second level, you can make clients understand our products very well without showing them insurance brochures, because you are very familiar with the products and you have sufficient knowledge to answer any question that clients may have. The third level, the clients buy insurance from you, because</p>	<ul style="list-style-type: none"> • Selling skills • Customer interaction • Customer relations • Trust • Relationship sales/marketing 	<ul style="list-style-type: none"> • Relationship between sales agent and client

they like you rather than the products. Again, a good relationship with your client is even more important than the insurance itself.		
Ms C: Finally, I want to talk about new recruits' development. Team leaders should help their new members plan their career. Recruits usually feel more pressure than experienced persons, so they may easily lose their target and confidence. So, help them build a clear target for the following five to ten years.	<ul style="list-style-type: none"> • Recruitment • Target • Normalising 	
Ms C: I talked a lot, and I hope my speech can bring you some new thoughts. The Worldwide Chinese Life Insurance Congress will be held at Seoul next year. I wish everyone here could attend this congress, it's very helpful. Thank you!	<ul style="list-style-type: none"> • Congress for next year • Opportunities 	
Host: Ok, many thanks to Ms C, I believe everyone here learned a lot from her speech. [Audience applause]		
Host: The following content is arranged by Mr L [department manager]. We know there are various forms for conducting business. Some of us visit clients face-to-face, and some of us communicate with clients through internet or telephone. For Ms D, she expresses her thoughts about insurance to	<ul style="list-style-type: none"> • Department manager's arrangement • Communication with clients by letters 	<ul style="list-style-type: none"> • Experience sharing

clients by written letters. This is not a common way to convince clients, but Ms D does it very well. Now let us welcome Ms D to share her experience of writing letters.		
Ms D (business manager): Many thanks for giving me this opportunity. My ability in language expression is not good. When I talk with my clients face to face, I always become incoherent. I can't express myself very clearly in front of clients, but I love this job very much, and I don't want to give up. I like writing. I've kept writing a diary for more than twenty years, so I thought about writing letters to my clients. In the second month I joined this company, I wrote eleven letters, and I sold nine insurance products. Then, I felt that this might be the best way for me.	<ul style="list-style-type: none"> • Personal selling styles • Positive attitudes on the work • Achievement 	<ul style="list-style-type: none"> • Experience sharing • Commitment
Ms D: I'm an obedient employee, the company told us to write a work log. So, I write my work log very seriously. In my work log, I write every process of knowing and meeting clients, as well as clients' personal information as detailed as possible. I also keep notes of morning meetings and highlight the useful content in my work log. The content of my work log is the main resource and inspiration for writing letters.	<ul style="list-style-type: none"> • Conformity • Work log • Values • Norms • Normalising 	<ul style="list-style-type: none"> • Experience sharing • Normative control
Ms D: Today, I'd like to read	<ul style="list-style-type: none"> • Stories • Relationship 	<ul style="list-style-type: none"> • Experience sharing • Customer abuse

<p>one of my letters. Last year I had a car accident, and I sent my car to a repair shop. Then, I met this client. He is the boss of that shop. I chatted with him during the waiting time, and the conversation was quite pleasant. So, I visited him several times after the car was repaired, and I found he is an ambitious and hard-working person. I liked this young man very much. After several contacts, I thought we were already friends, so I started to talk insurance with him. However, he didn't believe in insurance. He told me that even if an accident happens, he gets enough money to deal with that. So, the insurance is unnecessary for him. I tried to tell him the importance and the function of insurance, but every time I started to talk, he looked impatient. Last month, he told me: "Don't talk insurance with me anymore, I don't trust insurance". I was quite angry, because he didn't understand the meaning of insurance, and he never gave me the chance to explain. Then, I thought, face-to-face conversation doesn't work. I decided to write a letter to him. Now I will read my letter for you.</p>	<p>building</p> <ul style="list-style-type: none"> Relationship sales/marketing Rejection from clients Industrial reputation Misunderstanding from clients Anger 	<ul style="list-style-type: none"> Relationship between sales agent and client
<p>Ms D's letter:</p> <p>"Dear Yang,</p> <p>The weather is hot, please take care. I know you are busy, but health is more important than making money. It has been eleven years since you came to</p>	<ul style="list-style-type: none"> Examples Care Compliment 	<ul style="list-style-type: none"> Caring approach Relationship between sales agent and client

Beijing and started your business. Now, your business is not small, and you get your own house, car, and much savings. All the wealth you get is the payback for your diligence and hard work. You provide your family with a very good prosperous life. Your success is admirable”.		
“However, I want to ask you a question. Why are you working so hard? For me, I wish to earn money as much as possible now to make sure I can still enjoy a high quality of life after retirement. Now, you are 36 years old, you still have 24 years to make money and accumulate wealth before retirement. However, the future is not predictable. How much money you can earn in the following 24 years is unsure, and how much of your savings you can keep is uncertain. Thus, why you are so sure that you won’t have money problems in the future? I said that to you several times, but you didn’t care. Maybe you think I was bluffing you to buy insurance”.	<ul style="list-style-type: none"> • Uncertainty • Risks • Emotional display 	<ul style="list-style-type: none"> • Relationship between sales agent and client • Emotional labour
“A couple of months ago, I dealt with a claim case. I’d like to tell you my experience of dealing with this case. I hope you can sense my worry about your unawareness about insurance. This is an illness claim case, and the client is only 48 years old. He is a businessman as well, and his family is wealthy. On 28th	<ul style="list-style-type: none"> • Examples • Emotional engagement • Risks • Care • Value of insurance 	<ul style="list-style-type: none"> • Caring approach • Emotional labour

<p>May, I got the report that he was in the hospital. He had a myocardial infarction and almost died on 25th May. His wife called the emergency service, and sent him to the hospital. Because of the prompt emergency treatment, he survived. The surgery and treatment cost him sixty thousand RMB. Maybe that is not a huge amount of money for a wealthy family. But I think nobody likes to spend money on hospital”.</p>		
<p>“After I received the report, I started to claim the money for him immediately. Six days later, I brought the money, over one hundred thousand RMB, to his ward. He was supervised for getting the money so quick. I was impressed by the words he said to me”.</p>	<ul style="list-style-type: none"> • Examples • Trust • (Re)build company’s reputation 	
<p>“He said: ‘I should buy more insurance. I never expected to get the money so quickly. Thank you very much for convincing me to buy this insurance. You know, I didn’t want to buy insurance at first, because I was always healthy, rarely getting an illness. I thought I didn’t need insurance. You told me over and over again that even if you don’t need insurance, I still need to prepare for the unpredictable risks. To be honest, the reason I bought this insurance was to get rid of your calls and visits. Now I feel lucky that I listened to you and bought this</p>	<ul style="list-style-type: none"> • Examples • Acknowledgement from client • Attitude change • Benefits of insurance • Positive image about the company 	<ul style="list-style-type: none"> • Legitimizing insurance

insurance. I'm the only person to get insurance in this ward, and I can use the most expensive medicine without spending my own money....”		
“Yesterday, I called him. He said he’s much better, and back to his business. He thanked me again and asked me to arrange an appointment with him to introduce more insurance products. I’m very happy that he finally understands the importance of insurance and starts to consider avoiding risks through insurance”.	<ul style="list-style-type: none"> • Examples • Selling technique 	<ul style="list-style-type: none"> • Caring approach • Instrumental approach
“I’ve been in the insurance business for more than eight years. During that period, I have dealt with many claims cases. From those cases, I increasingly understand my responsibility. Insurance is about love, and I’m doing the greatest job in the world”.	<ul style="list-style-type: none"> • Belief • Responsibility • Normalising • Infusing positive value of the work 	
“To be honest, each time when I talk about insurance with you, I feel tired. You don’t understand the meaning of insurance, and don’t want to learn about insurance at all. I also think about giving up; if a bad thing happens, it is not my problem. However, after this claims case, I realise that this attitude is wrong. It is my job to teach you insurance knowledge and convince you to insure yourself. I treat you as a friend, so I should try harder to help my friend avoid risks”.	<ul style="list-style-type: none"> • Emotional display • Complains • Normalising (teach rather than sell) • Infusing positive value of the work • Care • Friends 	<ul style="list-style-type: none"> • Emotional labour • Burnout • Caring approach • The relationship between sales agent and client

<p>“I’m not sure whether you can approve my points or not in this letter. If you approve, then that is an affirmation of my work. If you don’t approve, I’ll improve myself and find other arguments to convince you. It is my duty to let ordinary people understand and accept insurance and benefit from insurance. I hope you can understand my worry about you, and transfer your risks to the insurance company. Finally, I wish you and your family happy forever.”</p> <p>[End of Ms Liang’s letter]</p>	<ul style="list-style-type: none"> • Convincing • Customer service • Improvement • Care 	<ul style="list-style-type: none"> • Caring approach
<p>Ms D: This is a letter I wrote for my client. Fortunately, this client was influenced by this letter, and he decided to become familiar with our insurance products. We’ll meet this Friday, and I’ll teach him more about our products.</p>	<ul style="list-style-type: none"> • Client’s response • Success 	
<p>Ms D: Actually, the content in this letter is not all real. The client didn’t say those things when I brought him the claimed money. Most of his words are from my imagination. I think a client should be thankful when he/she gets a claim, so I made up his words from my side. It’s like writing a story. I learn some cases and insurance stories from morning meetings, and use those to build up my own story to influence clients. I think writing letters is a good way for me, because I can express</p>	<ul style="list-style-type: none"> • Made-up stories • Misleading • Ethic • Normalising morning meetings 	<ul style="list-style-type: none"> • Instrumental approach • Means to ends • Resistance/Misbehaviour

my thoughts more clearly.		
<p>Ms D: One more thing, about how I meet clients. Normally, I don't sell insurance to them when we first meet. I start with chatting, and if the person is easy going, I'll ask for his/her telephone number for further contact. If the person is not willing to talk with me, I just leave. I think that's all.</p> <p>[Applause from audience]</p>	<ul style="list-style-type: none"> • Choosing prospective clients 	<ul style="list-style-type: none"> • Experience sharing
<p>Host: Thank you for the great tips, Ms Liang. I believe everyone here learn a lot from your experience. That's everything for today's morning meeting, thank you for the cooperation. Now team leaders please arrange the second morning meetings for your teams.</p>		
The end of the morning meeting		

Appendix C: A Coded Sample Transcript of a Semi-Structured Interview

Interviewee no. 15, Customer Manager

Transcript	Codes	Themes
<p>Q: First of all I would like to ask how long you have worked at the company?</p>		
<p>It's a long story. I joined the company in April 2008, and then because of family issues, I had a break from November 2008 to March 2009. During that period, I had been demoted from a customer manager to a regular seller. So, when I went back to the business, I had to start all over again. Now, I'm the senior customer manager.</p>	<ul style="list-style-type: none"> • Length of service • Sanctions (demotion) • Regulations and rules • Positions 	<ul style="list-style-type: none"> • Coercive control • Bureaucratic control
<p>Q: So, if you get a promotion, you would be a business manager? Am I right?</p>		
<p>Not exactly. There are two ways for employees' career development; you could choose work solely in a team or recruit your own team. I don't have my own team, so I belong to a customer manager series. If you have your own team, then you are a business manager. There is no higher or lower positional distinction between those two series. Now, I'm at the highest level of customer managers, so I can't get a promotion anymore.</p>	<ul style="list-style-type: none"> • Regulations and rules • Career development • Positions 	<ul style="list-style-type: none"> • Career paths • Bureaucratic control • Sales teams
<p>However, the company encourages employees to recruit their own team. At first, I felt good working solely in my current team until last</p>	<ul style="list-style-type: none"> • Individualisation (individualised work) • Negative feelings 	<ul style="list-style-type: none"> • Relationship among sales agents • Burnout • Sales teams • Recruitment

December, when I got a strong feeling of loneliness: then I started to consider building my own team.	<ul style="list-style-type: none"> • Collectivism (motivation of recruiting new sales agents) • Team building 	
I recruited four people before the spring festival this year. If I can get at least five new recruits and keep them at the company, I'll be a business manager and have my own team, but I lost all of the recruits after the spring festival holidays. I'm still trying to recruit more, but there are some difficulties. I don't want to recruit elder women, and poor quality people, but those who have a higher education background do not accept insurance as a good career.	<ul style="list-style-type: none"> • Difficult to keep new comers • Difficulties on recruitment • Quality of recruits 	<ul style="list-style-type: none"> • Turnover • Recruitment
I'll spend more time recruiting new sales people because I think that it will benefit me in the long run. The salary of a business manager is more stable than that of a customer manager. A business manager's salary is more stable than a customer manager's. You know Ms. C: she has been a senior customer manager for nine years, and I compared her pay sheet with Ms. R's [Ms. C's team leader and recruiter]. Ms. Ren can earn at least 18,000 RMB per month, but Ms. C sometimes only earns 4,000 RMB per month if the work doesn't go well. A person who has had nine years' working experience sometimes earns only a few thousand RMB per month. Can you believe that? This [insurance sales work] is tough business; if you don't have your own team, you cannot secure your income. So, I firmly decided to build	<ul style="list-style-type: none"> • Bonuses related to team building • Motivation of recruiting new sales agents (financial incentives) • Earnings inequality • (Un)stable incomes • Insecurity incomes • Example 	<ul style="list-style-type: none"> • Positive incentive • Sales teams • Recruitment • Incomes

my own team; the better my team members perform the higher income I can secure. Even if I am not able to sell any insurance products for one or two months, I still get paid because of my members' performance. For example, my recruiter got a demotion, and he is no longer my team leader, but he also gets 8% of my FYC.		
Q: What did you do before joining the NCL?		
I came here as soon as I got my master's degree. Before I graduated, I did some research on the internet and found that financial planner is quite a popular job. So I took and passed the certificate examination for financial planner, and I got the certification at November 2007. I was hoping to become a financial planner in a bank, but a friend of mine suggested to me to consider an insurance company as an option. To be honest, I didn't believe in the insurance business, but my friend is a senior manager at an insurance company in Herbei province, and he told me the insurance industry is quite good. So, I listed insurance as one of my job wishes on my CV with banks and securities.	<ul style="list-style-type: none"> • Education background • Career planning • Questioning insurance business • Beliefs • Introduced by friend 	<ul style="list-style-type: none"> • Low industrial reputation • Subjectivity/identity • Recruitment
Then I met my recruiter in a job centre. We communicated several times. At first, he promised me that I would not become an insurance saleswoman, because I thought the starting point was quite low if I worked as a saleswoman. However, when I decided to come, he said: "I	<ul style="list-style-type: none"> • Misleading during recruitment • Moral/ethic • Initial interest • Low start point • May look for new job in the future 	<ul style="list-style-type: none"> • Resistance/Misbehaviour • Recruitment • Turnover (potential)

<p>know you want to work as a financial planner, but most financial planners in China don't have the insurance knowledge. The insurance can be seen as a part of financial planning, so if you know something about insurance, then you can have some advantages". I thought that might be a good idea – that I can learn more things – so I came here. I joined this company not because the salary might be good or I like the insurance industry, but the insurance is a part of financial planning. I want to learn. The more I learn, the more advantages I can get during job hunting in the future.</p>		
<p>Q: Could you please tell me what your current job involves?</p>		
<p>I belong to the team directly managed by the department manager, because my previous team leader, also my recruiter, was demoted. Every morning I have to attend the morning meeting on time. After that, if the department manager wants to hold a second meeting, I need to attend as well. Other teams should hold their second meeting every day, but for our team maybe two times per week, because the department manager is quite busy. Before I go to the field and visit customers, I deal with some affairs that have to be done in the company: for example, to change customer information or to hand in a claim. After lunch, I go to field visit new customers or revisit those customers whom I communicated with but who haven't signed the contract</p>	<ul style="list-style-type: none"> • Regulations and rules • Sanctions (demotion) • Work procedure/routine • Second morning meeting (team meeting) • Work arrangement/planning 	<ul style="list-style-type: none"> • Sales team • Morning meetings • Working rhythm

yet.		
<p>The company makes a sales plan for us that we'd better get 3000 RMB premium in the first ten days of a month, which is the amount of standard performance for every employee. The target for the following ten days is to achieve 8000RMB premium, which is the amount for excellent performance. For the rest of the days of the month, we should focus on visiting customers to make sure some of them can sign the contracts at the beginning of the next month. If you follow this working rhythm, well, you may feel relatively easy.</p>	<ul style="list-style-type: none"> • Performance targets • Work arrangement/planning • Work progress/routine • Management intervention • Benefit of working rhythm (easy way to work) 	<ul style="list-style-type: none"> • Performance appraisal • Working rhythm • Output control • Bureaucratic control • Normative control
<p>For me, at the beginning of every month, I will spend more time on those customers who intend to buy or are interested in insurance products, and try to convince them to sign the contract. When I achieved excellent performance, or at least the standard performance, I started to visit and accumulate new customers, and introduce the importance and advantages of insurance to them. We have a quarterly performance appraisal. If I cannot achieve the standard performance for three months, then I'll get demotion.</p>	<ul style="list-style-type: none"> • Work arrangement/planning (based on working rhythm) • Desirable behaviour • Accept/internalise company's values and norms • Sanctions (demotion) 	<ul style="list-style-type: none"> • Compliance • Performance appraisal • Coercive control • Bureaucratic control • Culture • Normative Control
<p>Q: Could you tell me how long you have worked in your current team?</p>		

About six months.	<ul style="list-style-type: none"> Length of service in current team 	
Q: How does the team operate?		
Usually I attend the team meeting or training or working experience sharing that the department manager has organised. The salespeople usually work individually, and we can decide how to manage our work. Some of my team members visit customers together, so they can help each other during the promotion. I have a good relationship with Ms C [the customer manager she mentioned before], so if our team doesn't have a second meeting, I join her team's second meeting. We have a similar sales style, so sometimes I also visit a customer with her. If I know the customer first, the contract will be mine; otherwise, if she knows the customer first, the contract will be hers.	<ul style="list-style-type: none"> Work procedure/routine Individualisation (individualised work) Collectivism (visiting clients together) Co-worker assistance Informal coping Collective credit allocation Autonomy 	<ul style="list-style-type: none"> Relationship among sales agents Communities of coping Subjectivity
Oh, there are also some team-based events I forgot to tell you about. Every March and April, we have a teams' competition. Two teams compete with each other for two months; the loser will be punished. First, we choose a similar sized team as a rival, then our team bets 200RMB for example, and that team bets 200RMB; also our department manager bets 200RMB. If we win, our team will get 600RMB, the loser will lose their 200RMB. The money will belong to the team leader as a team activities fund, usually for entertainment, or to buy little	<ul style="list-style-type: none"> Competition Motivation Collectivism (team activities) Financial rewards and sanctions Autonomy Discretion Fun at work Example 	<ul style="list-style-type: none"> Relationship among sales agents Sales teams Concertive control

gifts for customers.		
On the other hand, our income mostly comes from individual business, so we might pay more attention to our own business, rather than the team's.	<ul style="list-style-type: none"> • Individualism (individualised work) • Self-benefit 	<ul style="list-style-type: none"> • Subjectivity
Q: What is it like working in the team?		
Our team, or say our department, promotes an easy, harmonious, relaxed and high performance environment.	<ul style="list-style-type: none"> • Positive team climate • High performance • Values and norms 	<ul style="list-style-type: none"> • Culture • Normative control
Q: Does your team achieve this goal?		
If you want do your work well, the “easy” is essential. You should think easily, and do what the manager told you to do. You should do your homework on the insurance products: prepare all the materials about the product for customers, get to know your customers' situations. Sometimes, you prepare everything, but the result is not good, you may get refused by the customer: then don't think too much, think easy.	<ul style="list-style-type: none"> • Values and norms (easy thought) • Obedience/compliance (follow the order) • Normalising 	<ul style="list-style-type: none"> • Normative control • Culture
About the team, I like my current team. Our team leader, the department manager, usually tells us that we are not in a superior-subordinate relationship: we are partners. We should maximise our own benefit and do a good job by working together. The	<ul style="list-style-type: none"> • Positive attitude (on current team) • Leadership • Harmonious relationship with department manager 	<ul style="list-style-type: none"> • Relationship between management and sales agents • Culture • Normative control

<p>manager is not playing a leader role, but he is more like a teacher. He told me that if I have some problems, just ask him, he will try his best to help me to solve the problems.</p>	<ul style="list-style-type: none"> • Metaphor (teacher-student relationship) • Paternalism 	
<p>Q: Could you please describe the working environment in your team?</p>		
<p>I think the environment is harmonious. After all, it is not a big team, and we all focus on our own business. There are several outstanding members in this team, and they are also willing to help others. I think we have the same goal as the company's: earn money and improve our ability. I like working in a team, you can learn from others. I also like to hang out with Ms C's team. Her team environment is very positive, and her team leader, Ms R, is an outstanding employee. I can learn a lot from them, and I also feel some pressure, because Ms R's performance is much better than mine. I like this kind of pressure, because it helps me grow up.</p>	<ul style="list-style-type: none"> • Harmonious and positive team environment • Individualisation (individualised work) • Co-worker assistance • Mutual interests • Learn from others • Peer pressure • Self-development • Positive attitude • Heroism • Role model 	<ul style="list-style-type: none"> • Relationship between management and sales agents • Relationship among sales agents • Unitary • Culture • Normative control • Subjectivity
<p>Speaking about the team environment, it reminds me of a relatively negative thing. In my last team, there was one guy, he paid a lot of attention to the contradictions amongst team members. If he found some conflicts among members, he told us. I felt uncomfortable with that. Sometimes I was affected by his negative information. He actually is a good seller with a positive attitude; he just likes gossiping. He may be not</p>	<ul style="list-style-type: none"> • Bad example • Negative feelings • Gossips • Negative team environment • Cynicism • Emotional labour 	<ul style="list-style-type: none"> • Communities of coping • Misbehaviour/resistance • Relationship among sales agents • Sales teams

<p>affected by those negative things that he told me, but I'm influenced. So, I like to stay with simple and positive people. A positive mentality is crucial for the insurance industry; if you have a better mood, the working process may be smoother. If you have a bad mood when you visit your customer, the customer can feel that.</p>		
<p>Q: You have mentioned that you usually join Ms. C's team's second meeting, is that ok for your team leader?</p>		
<p>The department manager is quite busy; we don't have a second meeting every day. I think Ms C's team is positive. I told the department manager I wanted to attend their meeting. He thinks this is a good thing for me as well. However, my previous team leader was not happy for me to have a close relationship with other team members. He thought I didn't respect him. He believed that I can't learn from him so I asked for others' help, which is not true. He had a different managerial philosophy from the department manager: he thought he is my superior, so I need to respect him, obey his words, and protect him. Actually, we are peers, but he always thought he has a higher position than me. He told our team members that he can control everybody in the team, except me. He used the word "control", and he wanted to control my thoughts.</p>	<ul style="list-style-type: none"> • Leadership • Autonomy • Work arrangement/planning • Conflict with pervious team leader • Negative feelings • Alienated from other teams • Authority • Coercion 	<ul style="list-style-type: none"> • Coercive control • Relationship between sales agents (within sales team) • Resistance/Misbehaviour
<p>Q: How did he control your</p>		

thoughts then?		
<p>He called me every evening to ask about my work process. Those calls weren't all about working issues. He also said a lot of nonsense: for example, his attitudes towards some members or the managers or the company policy, etc., and tried to force me to accept his points.</p>	<ul style="list-style-type: none"> • Phone team members to trace their work process • Gossips • Coercion 	<ul style="list-style-type: none"> • Coercive control • Monitoring • Direct control • Resistance/Misbehaviour
<p>Q: How well does your team work together?</p>		
<p>There is no significant conflict between each other; we have a good relationship. However, we don't communicate a lot. Usually, the department manager asks our performance targets; if the target is too low, he will set a higher one for you. Since the first day I joined the company, the company has kept delivering a concept of doing your own job in a team-based situation. The team can provide a learning and supportive environment =for your own job.</p>	<ul style="list-style-type: none"> • No significant conflict in current team • Communications • Performance targets • Individualisation and collectivism (work individually in a team-based situation) • Values and norms 	<ul style="list-style-type: none"> • Relationship among sales agents • Performance appraisal • Sales teams • Culture • Normative control
<p>Moreover, the company has some policies for new recruits to help them behave themselves in a desirable way. For example, when I joined the company, the team leader asked me to pass out at least ten questionnaires to customers. The questionnaire includes the introduction to the insurance products, customer information and their attitudes to insurance. This activity lasted for one month. Because new recruits usually have great</p>	<ul style="list-style-type: none"> • Regulations and rules • Trainings for new comers • Work procedure/routine • Work habit • Practices • Normalising • Obedience/compliance • Values and norms 	<ul style="list-style-type: none"> • Training • Working rhythm • Culture • Normative control • Coercive control

<p>passion, they are willing to work hard. After 30 days, I got used to visiting customers on a daily basis. Moreover, the company advertised another concept that you should think less, and do what you are told to do.</p>		
<p>However, I had a bad relationship with my previous team leader. Our team used to have thirty people, which meant that we could create a department and our team leader would be the department manager. However, 20 people were recruited by one customer manager (C), and he wanted to be promoted to a business manager, which means our team would have only 10 people left. Our team leader couldn't accept that, because it meant that he couldn't have his own department. I have a higher education background and my performance is relatively good, so C's new recruits usually asked me for help. I was willing to help them to increase their performance sometimes. My team leader was angry with me, because he thought I didn't support his plan. We argued a lot, and I said I wouldn't help them anymore, but he didn't accept it either. He was contradictory: he wanted to help his team members on the one hand; on the other hand he didn't want them to leave his team. So, we had a very bad relationship then. I had recruited four people already. If I got one more, I could have my own team in December 2009, but he didn't give me any support. I felt terrible. Now my previous team leader is</p>	<ul style="list-style-type: none"> • Example • Bad relationship with previous team leader • Leadership • Negative team environment • Restrict team members' development • Conflict within team • Arguments • Selfish • Moral/ethic • Team building 	<ul style="list-style-type: none"> • Relationship among sales agents • Sales teams • Resistance/Misbehaviour

demoted to a customer manager; he lost his entire team. I think if he could consider his members more, rather than suppressing their development, he could maintain his team.		
Q: How does the company assess your work?		
The company assesses my work seasonally. I have to achieve standard performance, at least 3000RMB premium per month. If I don't get 3000RMB for three months, I can't keep my position. Moreover, we have to attend the morning meeting: otherwise we will be fined. We also need to keep visiting logs, and the manager checks them regularly.	<ul style="list-style-type: none"> • Performance assessment • Performance targets • Regulations and rules • Morning meeting attendance management • Financial sanctions • Keep work log • Supervision (check work log) 	<ul style="list-style-type: none"> • Performance appraisal • Coercive control • Bureaucratic control • Monitoring • Morning meetings
When I joined the company, I didn't have the habit of keeping a log, and so do others. The team leaders check the logs every day, but the result was not good. We usually keep a very short and brief log. However, since last month, the department manager has provided some rewards for those members who keep a detailed log. Firstly, he copied some good log examples and sent them to us. Then he asked us to keep our log in that way. The team leaders check members' logs every day and select good ones every week, giving rewards. You can see there is a list of names of who kept good logs last week and the rewards. The manager said a habit will be confirmed if you keep doing it	<ul style="list-style-type: none"> • Normative behaviours • Instructions • Supervision (check work log) • Example • Obedience/compliance • Normalising • Rewards/praise (names on the wall) • Motivations • Benefits of keeping work log • Work habit 	<ul style="list-style-type: none"> • Normative control • Disciplinary control • Monitoring • Training • Positive incentive

for 28 days. That is true. Now, most of us keep a good log whether he checks or not, because a good log can help us to remember our working process and customers' information and need.		
Q: How do you feel about the ways that the company assesses your work?		
I discussed the performance assessment with my colleagues once. We think this performance assessment is crucial but cruel. If you have a good performance, you can not only get paid, but also get rewards and welfare. On the other hand, if you don't have performance, you get nothing.	<ul style="list-style-type: none"> • Performance assessment is crucial but cruel • Attitudes • Commission based payment • Pressure • Rewards and welfare 	<ul style="list-style-type: none"> • Performance appraisal • Incomes • Output control
Q: How does the company assess your team's work?		
Firstly, the team should be maintained at a certain size. Then the individuals in the team should have standard performance. The team's assessment has more impact on team leaders. If you are a team leader, and you have five members in your team, you have to make sure at least two of them can achieve the standard performance in every three months. If there are three people who cannot achieve the standard performance for a season, you will be demoted from business manager to customer manager, and your team members will belong to the department manager's	<ul style="list-style-type: none"> • Team performance assessment • Team size • Regulations and rules • Sanctions • Team building and maintenance 	<ul style="list-style-type: none"> • Performance appraisal (for sales teams) • Sales teams • Relationship among sales agents (in sales teams) • Recruitment • Bureaucratic control

direct team.		
Q: How do you feel about the ways that the company assesses your team's work?		
<p>It's hard to say, I'm not a team leader, so I may not have a real feeling about it. However, I do think the current assessment system is a great incentive for team leaders. Although I have never had my own team, when I had four recruits, I felt different. I sensed a huge responsibility, because I needed to train them and regulate their behaviours. I like that feeling, I want to help them to grow up. On the other hand, my income also increased. So I hope to have my own team someday.</p>	<ul style="list-style-type: none"> • Attitude on building sales team • Motivation (for team leader) • Responsibility (training and supervising new comers) • Financial incentives • Willing to build own sales team • Difficulties • Team building • Caring paternalism 	<ul style="list-style-type: none"> • Sales teams • Recruitment • Training • Direct control
Q: Do you feel somebody is often observing you when you are working?		
<p>I don't feel that during my work, because usually I visit a customer alone, or with my friend. I don't think Ms C is observing me when we are working together. On the other hand, I do feel my team leader is observing me and others, but I don't know how, I just have this feeling. I feel he knows my working pattern, even my mood. Maybe he understands those things from our informal meetings. Oh, I remember one thing that sometimes he asks me about my colleagues' situations. Once, one of my colleagues told the manager something about me, and then</p>	<ul style="list-style-type: none"> • Supervision (direct) • Observing • Communication • Interactions 	<ul style="list-style-type: none"> • Direct control • Monitoring • Relationship among sales agents

she also told her friend about this conversation. Her friend also has a good relationship with me, so she told me about it. I think the manager gets our working information from our colleagues and conversation with ourselves.		
Q: How do you feel about it?		
Stressful, but usually the stress can generate power. I know he is concerned about us, so if I don't work well, I feel sorry for him. He gives me a lot of opportunities to improve myself; for example, he asks me to do the briefing in the morning meeting and give training for new recruits.	<ul style="list-style-type: none"> • Pressures • Positive attitude • Leadership • Caring paternalism • Sale-regulation • Improvement 	<ul style="list-style-type: none"> • Relationship between management and sales agents • Training
Q: Have you received a reward following your performance assessment?		
Our company has a lot of reward programmes: some of them are training opportunities and some of them are financial rewards. I have had many rewards. For example, last year's biggest reward was the opportunity of attending the Global Chinese Insurance Conference, and I got that. I also got the training opportunity at QingHua University. For me, I prefer learning opportunities rather than money rewards. I feel so good when I get rewards, and the incentive can last for a long period. During that period, I usually have a very good performance. However, when I achieve the standard of	<ul style="list-style-type: none"> • Rewards • Training opportunity • Caring • Incentive (cheering up) • Prefer training opportunity • Competition • Work arrangement/planning • Autonomy (rest after hard work) • Don't visit clients if get satisfied performance 	<ul style="list-style-type: none"> • Training • Culture • Resistance/Misbehaviour • Subjectivity

another reward, I may want to have some rest: it's like a reward from myself. For example, this month I already have twelve thousands premium, I haven't visited new customers for a couple of days. I know this is not good, but I want some rest.		
Q: Have you received a sanction following your performance assessment?		
Yes, demotion. I don't have strong feelings about the demotion. I just worked harder and got back to the original position. I didn't like the sanction, but if I couldn't find new customers, I could do nothing but visit more and sometimes visiting more wouldn't help.	<ul style="list-style-type: none"> • Sanction: demotion • Attitude • Dislike but sometime unavoidable 	<ul style="list-style-type: none"> • Bureaucratic control • Coercive control
Q: Have your team received a reward?		
My team hasn't got any reward since I joined. Generally speaking, the team rewards are set for team leaders; the members only can get a very small part of the rewards. So, I don't care much about team rewards. In order to get the team reward, the team leaders usually encourage members to work harder. For example, at the end of July, the department manager asked me about my following month's performance target, and I said fifty thousand RMB. He thought this target was reasonable for me, so this was my goal for August. After I	<ul style="list-style-type: none"> • Incentives for team leader • Responsibility (team leader) • Examples • Goal setting for team member • Encouragement • Close supervision • Mutual interests (win-win behaviour) 	<ul style="list-style-type: none"> • Sales teams • Relationship among sales agents (in sales team) • Relationship between management and sales agents • Direct control • Monitoring • Coercive control

reached that goal, the manager said, “You have more potential, please prepare sixty thousand next month”. On the other hand, when Ms C’s team leader asked her target for August, she said “fifty thousand”, but the leader believed that she could do better, then set an eighty thousand goal for her. Finally, she reached that target in August. So I think her team leader understands her capability and helps her to do the best: it is a win-win behaviour.		
Q: What are the best things about working in a team?		
We have a great leader. He teaches me a lot.	<ul style="list-style-type: none"> • Leadership • Attitude 	
Q: What are the worst things about working in a team?		
I couldn’t have smooth communication with some of the members, because of their poor quality. I feel I can’t learn things from them.	<ul style="list-style-type: none"> • Complains about poor quality sales agents • Unsmooth communication 	<ul style="list-style-type: none"> • Recruitment
Q: Is there anything you would like to say about your work and your team?		
I feel good working in my current team, and I like to learn things from those who have excellent performance. I think those people are not only	<ul style="list-style-type: none"> • Like current team • Can learn things from good performer 	

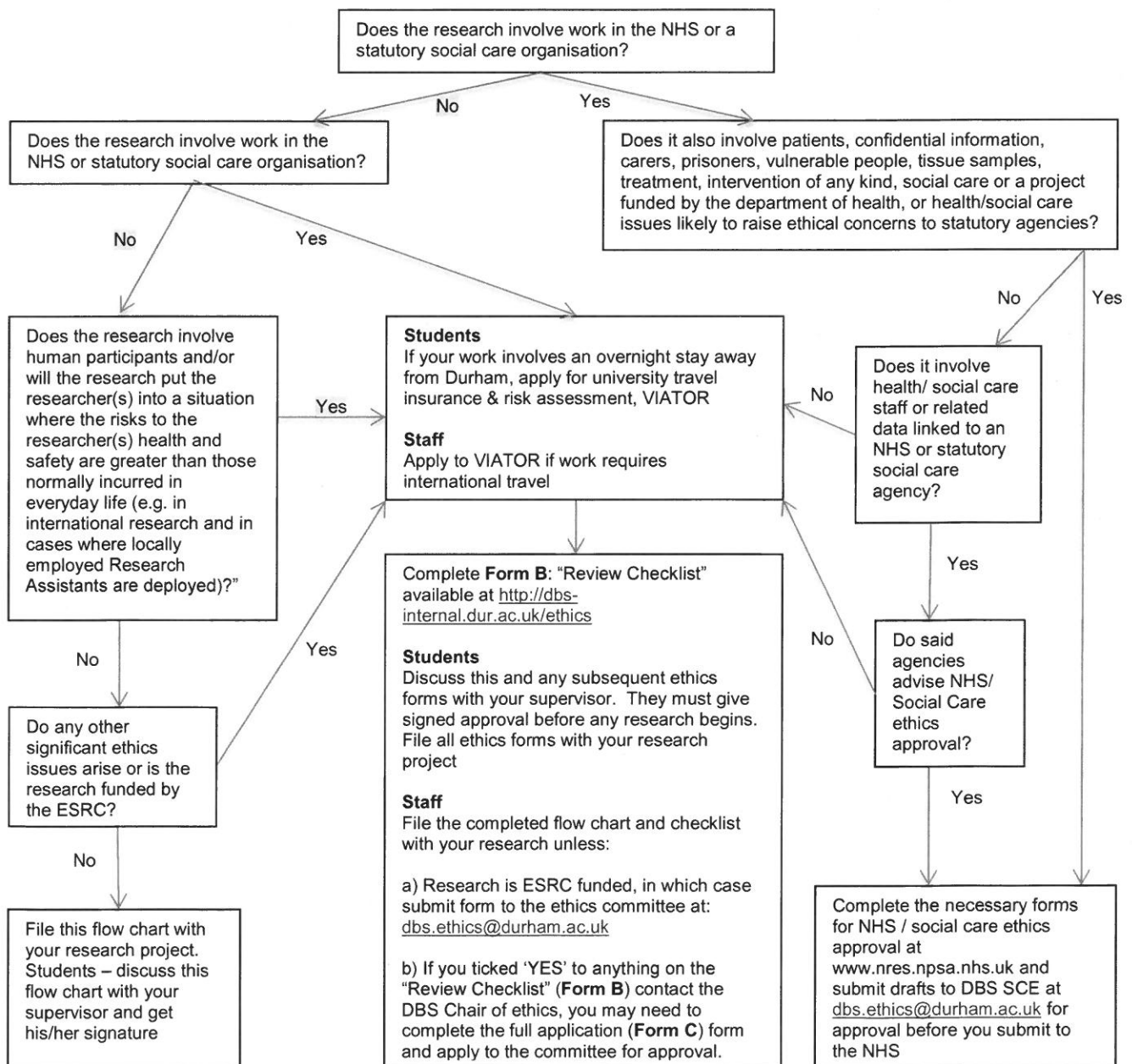
<p>my goal, but also my hope. You know, I didn't like the insurance company at first, but when I see those outstanding employees, I feel the insurance company does have future development.</p>	<ul style="list-style-type: none"> • Role model • Attitude changed on insurance • The potential for insurance company 	
<p>I want to recruit more educated employees to open the high-end market. However, I don't know how to attract their attention to the insurance industry. They usually can get a good job with a good reputation and stable salary. Now, the insurance industry is not respected by the public, so the highly educated people don't want to work here. This is the biggest difficulty for me to recruit high quality people. I have a customer; he asked me, "what do you say about your job when you come to a reunion?" I said, I just told my college mates that I'm an insurance broker. He said, "Don't you feel shame in front of your college mates?" I didn't know how to respond to him.</p>	<ul style="list-style-type: none"> • Career planning • Increase the quality of insurance sales agents • Target at high end market • Difficulties on recruiting high quality people • Poor reputation • Judgements from clients 	<ul style="list-style-type: none"> • Irrate and abusive customer • Recruitment
<p>The interview ended as the interviewee had an appointment with her client later.</p>		

Appendix 4 Ethics Form

ETHICS FORM 'A' – Process flow chart for students & staff

Title of Project: Understanding how management control affects the triangle relationship between management, sales agents and clients

Name of Principal Researcher or Student: Yaoyao Fu



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Res U...

Tick one box only

20/7/10

Signature of Principal Researcher or Supervisor:

ETHICS FORM B: REVIEW CHECKLIST

"DUBS SCE" refers to Durham University Business School's Sub-Committee for Ethics throughout.

This checklist should be completed for every research project that involves human participants. It should also be completed for all ESRC funded research, once funding has been obtained. It is used for approval or to identify whether a full application for ethics approval needs to be submitted.

Before completing this form, please refer to the University's "Ensuring Sound Conduct in Research" available at <http://dbs-internal.dur.ac.uk/ethics/default.aspx> – all researchers should read Sections A, B and F; Principal Investigators should also read Section D. The researcher and, where the researcher is a student, the student and supervisor are responsible for exercising appropriate professional judgement in this review.

This checklist must be completed before potential participants are approached to take part in any research.

Section I: Project Details

1. Project title: Understanding How Management Control Affects the Triangle Relationship between Management, Sales Agents and Clients
2. Start date: 02/08/2010 Expected End date: 30/09/2010

Section II: Applicant Details

3. Name of researcher (applicant)
Or student: Yaoyao Fu
4. Status: Postgraduate Research Student
5. Email address
(staff only):
6. Contact address: 21 The Chains, Durham, UK (DH1 1QZ)
7. Telephone number: 07540087569

Section III: For Students Only

8. Programme title: PhD in Business Studies
9. Mode (delete as appropriate)
Full Time
10. Supervisor's or module leader's name: Dr Peter Hamilton

11. Aims and Objectives: Please state the aims/objectives of the project

Investigate management control in a China's life insurance company and the effects of management on individual sales agents and the triangle relationship between management, sales agents and clients.

12. Methodology: Please describe in brief the methodology of the research project

Employ a qualitative approach and chooses a single-case study research design. The qualitative data will be collected from a documentary analysis, observations and semi-structured interviews.

13. Will data be collected from participants who have not consented to take part in the study e.g. images taken from the internet; participants covertly or overtly viewed in social places? If yes, please give further details. **No**

*Does the research take place in a public or private space (be it virtual / physical)? Please explain: **The research will take place in public workplace of the company.**

Explain whether the research is overt or covert: **The research will be overt, the researcher is approved to gain access to the research setting before conducting the research.**

Explain how you will verify participants' identities: **Participants will be picked up in the workplace, or be introduced by managers or existing participants.**

†Explain how informed consent will be obtained: **Oral agreement will be made between researcher and managers for observing morning meetings and the researcher's identity will be revealed to participants in morning meetings. The researcher will explain the purpose of the research, confidentiality of the interview and interviewees' rights to participants before they participant in the interview.**

*Ethical guidelines (BPS, 2005) note that, *unless consent has been sought, observation of public behaviour takes place only where people would reasonably expect to be observed by strangers.*

†It is advised that interactive spaces such as chat rooms and synchronous and asynchronous forums be treated as private spaces requiring declaration of a research interest and consent.

Additional guidance on internet research can be obtained at:

http://www.bps.org.uk/sites/default/files/documents/conducting_research_on_the_internet-guidelines_for_ethical_practice_in_psychological_research_online.pdf

14. Risk assessment: If the research will put the researcher(s) into a situation where risks to the researcher(s)' health and safety are greater than those normally incurred in everyday life, please indicate what the risks are and how they will be mitigated. (Please note that this also includes risks to the researcher(s)' health and safety in cases of international research and in cases where locally employed Research Assistants are deployed).

Research which will take place outside the UK requires specific comment. (Note that research outside the UK is not automatically covered by the University's insurance. See the DUBS intranet site (<http://dbs-internal.dur.ac.uk/ethics/default.aspx>) for further details).

The research will take place in China where is the home country of the researcher.

For student research the supervisor should tick the following, as appropriate. The study should not begin until all appropriate boxes are ticked:

- x ☐ The topic merits further research
- x ☐ The participant information sheet or leaflet is appropriate (where applicable)
- x ☐ The procedures for recruitment and obtaining informed consent are appropriate (where applicable)

Comments from supervisor:

There were no particular ethical issues with this research.

Section IV: Research Checklist

Research that may need to be reviewed by NHS NRES Committee or an external Ethics Committee (if yes, please give brief details as an annex)

YES NO

- 1 Will the study involve recruitment of patients or staff through the NHS or the use of NHS ☐ ☒

data or premises and / or equipment?¹

- 2 Does the study involve participants age 16 or over who are unable to give informed consent? (e.g. people with learning disabilities: see Mental Capacity Act (MCA) 2005).

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Please note: - That with regard to 1 and 2 on the previous page, all research that falls under the auspices of MCA must be reviewed by NHS NRES.

Research that may need a full review by Durham University Business School Sub –Committee for Ethics (DBS SCE)

- 3 Does the study involve other vulnerable groups: children, those with cognitive impairment, or those in unequal relationship e.g. your own students?²
- 4 Will the study require the co-operation of a gatekeeper for initial access to the groups or individuals to be recruited? (e.g. students at school, members of a self-help group, residents of a Nursing home)³
- 5 Will it be necessary for participants to take part in the study without their knowledge and consent at the time? (e.g. deception, covert observation of people in non-public places)
- 6 Will the study involve discussion of sensitive topics? (e.g. sexual activity, drug use)
- 7 Are drugs, placebos or other substances (e.g. food substances, vitamins) to be administered to the study participants or will the study involve invasive, intrusive or potentially harmful procedures of any kind?

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Research that may need a full review by Durham University Business School Sub – Committee for Ethics (DBS SCE) (continued)

- 8 Will tissue samples (including blood) be obtained from participants?
- 9 Is pain or more than mild discomfort likely to result from the study?

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Footnotes

¹ Research in the NHS may be classified as “service evaluation” and, if so, does not require NHS research ethics approval. In such cases, prior written confirmation that the research is considered to be service evaluation is required from the appropriate authority, and on receipt of this the “No” box may be ticked and this form used for ethics approval. Advice and assistance is available from dbs.ethics@durham.ac.uk

² Vulnerable persons are defined for these purposes as those who are legally incompetent to give informed consent (i.e. those under the age of 16, although it is also good practice to obtain permission from all participants under the age of 18 together with the assent of their parents or guardians), or those with a mental illness or intellectual disability sufficient to prevent them from giving informed

Footnotes

¹ Research in the NHS may be classified as “service evaluation” and, if so, does not require NHS research ethics approval. In such cases, prior written confirmation that the research is considered to be service evaluation is required from the appropriate authority, and on receipt of this the “No” box may be ticked and this form used for ethics approval. Advice and assistance is available from dbs.ethics@durham.ac.uk

consent), or those who are physically incapable of giving informed consent, or in situations where participants may be under some degree of influence (e.g. your own students or those recruited via a gatekeeper - see footnote 3). Where students are perfectly able to choose to be involved and to give informed consent then, so long as there is no impact on assessment, the "No" box may be ticked.

³ This applies only where the recruitment of participants is via a gatekeeper, thus giving rise to particular ethical issues in relation to willing participation and influence on informed consent decisions particularly for vulnerable individuals. It does *not* relate to situations where contact with individuals is established via a manager but participants are willing and able to give informed consent. In such cases, the answer to this question should be "No."

		YES	NO
10	Could the study induce psychological stress or anxiety or cause harm or negative consequences beyond the risks encountered in normal life?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11	Will the study involve prolonged or repetitive testing?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
12	Will the research involve administrative or secure data that requires permission from the appropriate authorities before use?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
13	Does the research involve members of the public in a research capacity (participant research)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
14	Will the research involve respondents to the internet or other visual / vocal methods where methods are covert, intrude into privacy without consent, or require observational methods in spaces where people would not reasonably expect to be observed by strangers? ⁴	<input type="checkbox"/>	<input checked="" type="checkbox"/>
15	Will the research involve the sharing of data or confidential information beyond the initial consent given?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
16	Will financial inducements (other than reasonable expenses and compensation for time) be offered to participants? ⁵	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Section V: What to do next

If you have answered '**No**' to all of the questions:

Undergraduate and Postgraduate taught students should discuss this with their supervisor, obtain his or her signature and submit it with their business project or dissertation.

DBA / MPhil / PhD students should discuss this with their supervisor, obtain his or her signature and submit it as part of the transfer / 9 month review process and with their thesis.

Work that is submitted without the appropriate ethics form may be returned un-assessed.

Members of staff should retain a copy for their records, but may submit the form for approval by DUBS SCE if they require approval from funding bodies such as ESRC. *In such cases, the letter of invitation to participate, Participant Information Sheet, Consent Form and, where appropriate, the access agreement should also be submitted with this form.*

Please note that DBS SCE may request sight of any form for monitoring or audit purposes.

If you have answered '**Yes**' to any of the questions in Section IV, you will need to describe more fully how you plan to deal with the ethical issues raised by your research. This does not mean that you cannot do the research, only that your proposal will need to be approved by the DUBS SCE.

Contact the Chair of the DUBS SCE in the first instance to discuss how to proceed. You may need to submit your plans for addressing the ethical issues raised by your proposal using the ethics approval application form REAF, which should be sent to the committee at dbs.ethics@durham.ac.uk.

Footnotes

⁴ This does not include surveys using the internet providing that the respondent is identifiable only at their own discretion.

⁵ In experiments in economics and psychology in particular it is common to pay participants. Provided such payments are within the normal parameters of the discipline, the answer to this question should be "No."

(Form REAF can be obtained from the School Intranet site at <http://dbs-internal.dur.ac.uk/Pages/Default.aspx> or using the student / visitor access:-

<http://dbs-internal.dur.ac.uk/ethics>

Username: dubs\ethicsvisitors
Password: durham

If you answered 'yes' to Questions 1 or 2 in Section IV, you will also have to submit an application to the appropriate external health authority ethics committee, but only **after** you have received approval from the DUBS SCE. In such circumstances complete the appropriate **external** paperwork and submit this for review by the DUBS SCE to dbs.ethics@durham.ac.uk.

Please note that whatever answers you have given above, it is your responsibility to follow the University's "Ensuring Sound Conduct in Research" and any relevant academic or professional guidelines in the conduct of your study. **This includes providing appropriate participant information sheets and consent forms, abiding by the Data Protection Act and ensuring confidentiality in the storage and use of data.**

Any significant change in research question, design or conduct over the course of the research project should result in a review of research ethics issues using the "Process Flow Chart for Students and Staff Undertaking Research" and completing a new version of this checklist if necessary.

Declaration

Signed
(staff only, students insert anonymous code):

Date:

Student / Principal Investigator

Signed: 

Date: 20/7/10

Supervisor or module leader (where appropriate)